The China Weekly REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

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White Russians in the Far East . . . . . By Marc T. Greene

SATURDAY, OCTOBER 13, 1934 VOLUME 70, NUMBER 7

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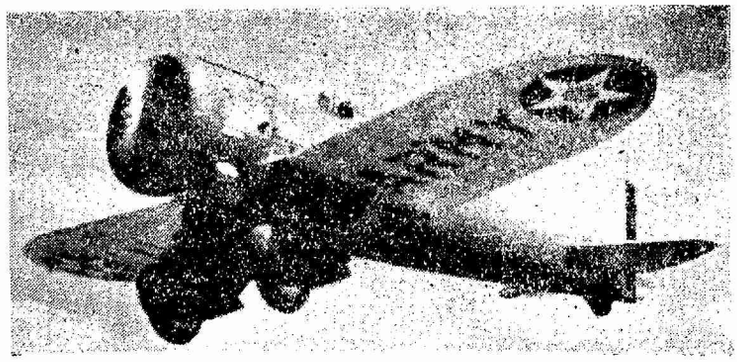
A WASP WITH A STING!



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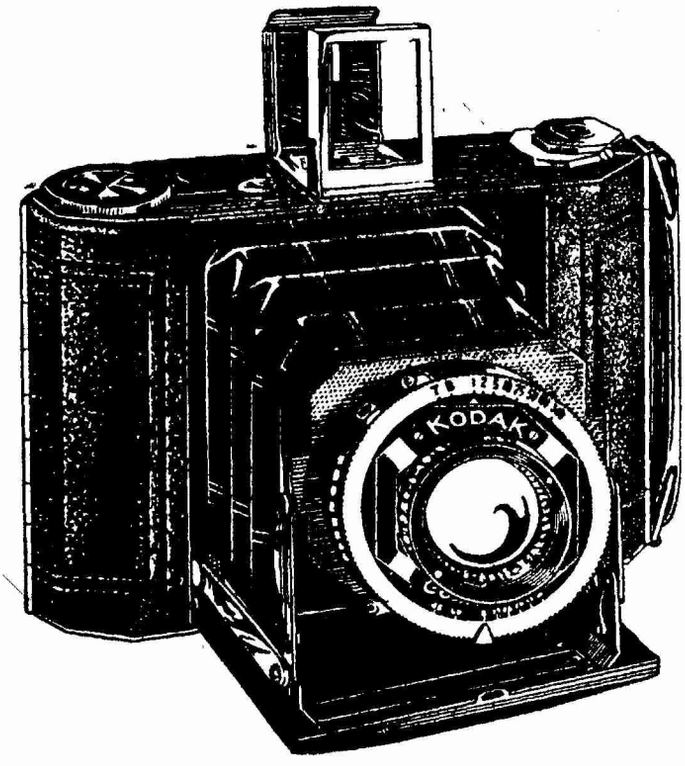

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1933-34 High	1933-34 Low	Div. $ per Sh.	STOCKS	Last Sale Mon. Oct. 8	Last Sale Tue. Oct. 9
13¾	3	—	Adams Express	7¼	7
112	47½	3.00	Air Reduction	102¾	102½
38	11⅛	1.20	Alaska Juneau	18⅞	18¼
160¾	70¾	6.00	Allied Chemical & Dye	127¾	127
26⅝	6	—	Allis Chalmers	12⅝	12½
42½	9½	0.80	Am. Brake Shoe & Fdry	21	21
107¾	49½	4.00	American Can	100	99
80⅞	13	—	Amer. Comml. Alchol	27⅜	26½
22½	3¼	0.25	Amer. Cyanamid "B"	17	16⅛
19⅝	3⅞	—	American & Foreign Power	6½	6
27⅝	3½	—	American Metal Company	15¼	15
53½	10¾	—	American Smelting	34⅝	34¼
134⅝	86½	9.00	American Tel. & Tel.	110¾	110⅛
94⅜	50¾	5.00	American Tobacco "B"	77	76
43¾	10⅞	—	American Waterworks	16⅞	16⅝
22⅝	5	—	Anaconda Copper	10⅝	10⅞
18⅝	5⅞	—	Atlas Corporation	8⅝	8⅛
84¼	16⅞	1.00	Auburn	24½	23⅞
37⅞	8⅛	—	Baltimore & Ohio	15¼	14⅞
49½	10⅜	—	Bethlehem Steel	27⅜	27
37½	18	1.60	Borden Company	25¼	25
28⅝	5½	1.00	Borg Warner	22¼	21¾
20⅞	7½	—	Canadian Pacific Railway	13⅛	12⅞
103½	30½	—	Case, J. I.	45	44
40¾	15⅞	1.40	Chase National Bank	21¼	21⅜
52½	14⅞	2.50	Chesapeake Corporation	38¼	38
60⅝	7¾	1.00	Chrysler	34⅜	33¾
28½	7⅜	—	Columbia Gas & Electric	8⅝	8½
6⅛	1¼	—	Commonwealth & Southern (ord.)	1½	1⅜
64⅛	25¼	2.00	Consolidated Gas of N. Y.	27⅞	27
23¾	4⅞	0.25	Continental Oil	17	16⅞
9⅞	2	—	Coty Inc.	5⅛	5⅛
5½	1½	—	Curtiss Wright Company	2½	2⅝
93¾	35	—	Delaware & Hudson	39	38½
28¼	10¼	—	Douglas Aircraft	15½	15½
103⅝	32½	*2.60	Du Pont de Nemours	89⅝	89¼
101¼	46	4.00	Eastman Kodak	100¾	99¾
41⅝	9⅛	—	Electric Bond & Share	10½	10⅜
15⅝	3¼	—	Electric Power & Light	4	3⅞
19	8¼	—	Fox Film "A"	12	11⅝
50⅜	16¼	2.00	Freeport Texas	26½	25¾
10⅝	2⅜	—	General Aviation	3½	3¼
30¼	10½	0.60	General Electric	17¾	18
39⅞	21	1.80	General Foods	29¾	29½
42	10	*1.00	General Motors	29¼	28⅝
49½	13¼	1.00	General Railway Signal	24½	24½
27⅝	12	1.20	Gold Dust	17⅝	17½
47¼	9⅛	—	Goodyear Tire & Rubber	20⅞	20¼
81½	15	3.00	Hercules Pwdr. Co.	71⅞	71⅞
57¼	35½	3.00	Howe Sound	49	48¼
40	6¼	—	International Cement	20¼	19¼
46⅞	13½	0.60	International Harvester	30¾	29⅞
29¼	6¾	0.40	International Nickel	24½	23⅞
21¾	5¼	—	International Tel. & Tel.	9⅝	9¼
66⅜	12¼		Johns Manville	47¼	46
26	7⅛	0.15	Kennecott	17¾	17¾
79⅝	37½	2.40	Lehman Corporation	68⅛	68¼
99⅝	49	*4.00	Liggett & Myers "B"	96½	98
36½	8½	1.00	Loew's Inc.	28⅝	28⅜
25¼	10⅜	1.20	Lorillard	18¾	17¾
35⅝	8⅝	—	Montgomery Ward	27⅜	27½
43	16⅞	1.00	National City Bank	19⅝	19¼
33¼	16¼	—	National Distiller	21¼	21⅛
58½	14	—	New York Central	21⅝	20⅞
26½	12¾	4%S	North American	13⅝	13
96¾	31½	3.00	Owens Illionois Glass	69	69¼
31⅞	14¼	1.50	Pacific Gas & Electric	13½	13¼
6⅝	1¾	—	Packard Motors	3⅝	3½
42½	13¾	1.00	Pennsylvania Railroad	22⅞	22¼
6⅝	1½		Pennroad Corporation	1⅞	1¾
20¾	4¾	1.00	Phillips Petroleum	14¼	14
12¼	3		Radio Corporation	6	5¾
54¼	26½	3.00	Reynolds Tobacco "B"	48½	48½
51⅜	12½	—	Sears Roebuck	39⅞	39¼
19⅞	6	0.60	Socony-Vacuum Corporation	13⅞	13½
28	10½	1.50	Southern California Edison	11⅜	11½
22½	5⅛	—	Standard Gas & Electric	7¾	7¼
50⅛	22¾	1.00	Standard Oil Co. of N. J.	43	43
66⅛	45¾	3.80	Sterling Products	60	60¼
9¼	1½	—	Studebaker	2¾	2¾
30½	10¾	1.00	Texas Corporation	21½	21¼
9⅜	2⅝	0.12	Transamerica	5¼	5¼
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133⅞	61¼	6.00	UnionPacific	100	98¾
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The China Weekly REVIEW

Formerly Millard's Review

中華郵政特准掛號立券之報紙

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THE CHINA WEEKLY REVIEW

Formerly Millard's Review

Cable Address "REVIEWING SHANGHAI"

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CONTRIBUTING EDITORS

C. Y. W. MENG S.Y. LEUNG
C. Y. HSIEH PAUL K. WHANG

YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, TWELVE DOLLARS (CHINESE CURRENCY) IN ADVANCE. POSTAGE INCLUDED IN CHINA AND JAPAN. IN THE UNITED STATES AND FOREIGN COUNTRIES EIGHT DOLLARS U. S. CURRENCY. REMITTANCE FROM OTHER COUNTRIES THAN CHINA AND THE U. S. CAN BE MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND-CLASS MATTER IN THE CHINESE POST OFFICE AT SHANGHAI IN MAY 1917.

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COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA OR ABROAD SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 160 AVENUE EDWARD VII, SHANGHAI, CHINA. TELEPHONE 14741. CABLE ADDRESS "REVIEWING SHANGHAI."

SHANGHAI AS A LANGUAGE STUDY CENTER

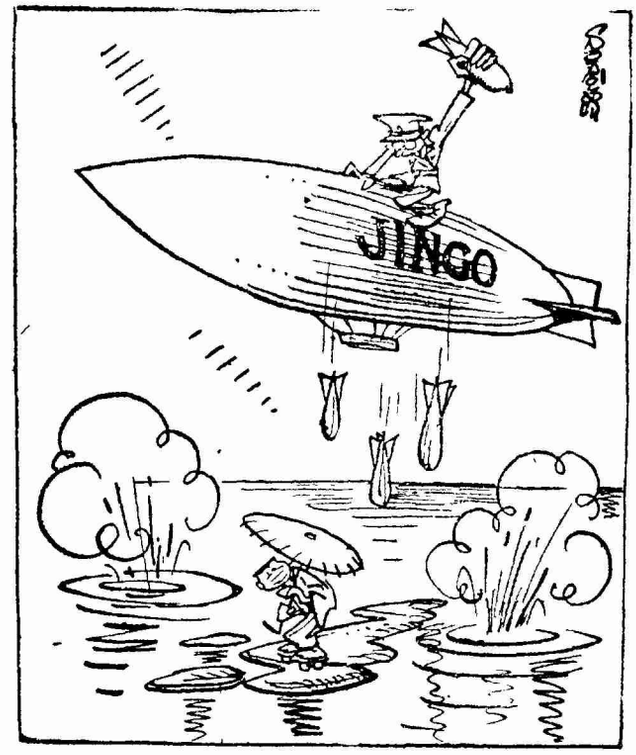
WHETHER or not the many different forms of speech which mankind makes use of to communicate its thoughts are to be traced to the confusion which followed the building of the Tower of Babel, (the Biblical narrative), or whether they are to be traced way back to the chatterings of different tribes of primitive mankind, the fact remains that these differences exist, and nowhere are they made more evident than in this international port of Shanghai. These differences of speech frequently lead to misunderstandings, sometimes serious, sometimes laughable. A few examples will illustrate the point. Some years back a serious riot between Italian and American soldiers occurred, wherein stabbings and black eyes were a feature. When the mattter came before the respective courts it was learned that the innocent Italian word "basta" (meaning "enough"), which one of the Italians had emitted when the tomfoolery in which the sailors of the two countries had engaged, became somewhat rough, was mistaken by the Americans for a somewhat similar-sounding word with nasty implications. Then the fists began to fly and knives were drawn, with disastrous results on both sides. There is the laughable example of the Russian who had just rented a room in an English-owned house and was trying out the few words of English he knew. Russians, in common with most Continentals, know no distinction between long and short vowels. What he intended to say was "Please give me keys;" what he did say to the English lady was "Please give me kiss!" —to her natural astonishment. A French lawyer relates the story that while at Tsingtao this summer he wished to send a telegram in connection with the birth of a baby in Shanghai. The telegram of congratulation (in the French language) ended up with the word "tendresses", a word used in the sense of "tenderest regards." The Chinese telegraph clerk when he saw the word jumped to the conclusion that the Frenchman was trying to play a not uncommon trick, that is stringing two words together and paying for only one. It took quite some argument on the Frenchman's part to prove that he was guiltless of trying

to cheat the telegraph company by combining the two English words "ten dresses." There is also told the story of the young American missionary who had invited an older man in the field to listen to his sermon *in Chinese* to the "heathen" crowd that he was tring to convert. When the audience had gone the younger missionary asked the older one's opinion. The answer of the older one was, "Well, I'm surprised they didn't laugh more than they did, seeing that you talked for half an hour about your *foolish* father." The younger man demurred; he said he had been talking about his Heavenly Father. "No, that's what you *thought* you were saying," blandly replied the older one. The difference in the "tone" of the two Chinese words, which to the unitiated appear exactly alike, was responsible for the error.

An advertisement in a Shanghai paper offering a course of study covering 23 different languages, including such languages as Afrikaans, Bengali, Persian and Hindustani calls vivid attention to what a polyglot sort of a place Shanghai is. To begin with, Chinese is, naturally, the principal language spoken here, but that doesn't change the fact that the number of Chinese here who do not understand more than half of what other Chinese say to them runs into hundreds of thousands. This is due to the variations in dialect. It is a surprising fact that Shanghai, the principal trading city in China, has a dialect which is not understood more than fifty miles beyond its borders. It was the dialect of this region when this was a mere village and the fact that it has become a great commercial center with more than three millon inhabitants has not changed the dialect, even though Chinese have been attracted here from all parts of the country. These strangers within Shanghai's gates speak something like a dozen different dialects, some of which, like those from Swatow, Amoy and Canton, are so different from either the Shanghai dialect or the various forms of Mandarin that they are absolutely unintelligible either to the people of the last two mentioned groups or by one another. These various groups from outside usually live gregariously in certain districts, just as the Jews or Italians do in New York or other large American cities. They have their own guilds or clubs, and their own associations for burying their dead. The fact that they do live gregariously tends to perpetuate the speaking of the various dialects. Until recent years foreigners generally did not appreciate the importance of learning Chinese, and it usually was the case that if a man spoke Chinese he was either in the Chinese customs service, a missionary or a policeman. Of late, however, the importance of learning the Chinese language has impressed itself, particularly as regards the younger generation, upon the foreign mercantile community, with the result that hundreds of young foreigners now study Chinese instead of playing so much football, cricket, etc. as they formerly did. Large numbers of foreigners also are taking advantage of the opportunities that are offered here to study one or more European languages. Hardly a day goes by that there is not an advertisement in the daily newspapers of some one offering to exchange language lessons. And as regards the huge Russian population the strides that they have made in learning English and other languages since they have taken up their abode in Shanghai (and the same is true, but to a less extent of Hankow and Tientsin) is truly remarkable.

GENERAL MITCHELL'S WILD STATEMENT

THE REVIEW wishes to join in the protest of prominent journals in various parts of the world (aside from the protests in Japan itself) against the wild statements made last week by Brigadier General Mitchell, former assistant chief of Military Aviation in the United States. As things stand it is probably true that America would be able to build enough airships—General Mitchell said 50 would be sufficient—to smash up Japan. The obvious query is: But what then, or why do it, or why make such a statement even though it is true? With equal force some Japanese militarist could make the statement that



The reaction to the above cartoon in the "North China Daily News" was that a Japanese telephoned threatening to kill the artist if he printed more cartoons of this kind. The editor explained that the point of the cartoon was the jingoistic speech recently made by General Mitchell—reference to which is made in the accompanying editorial.

Japan, quite probably, could manipulate sufficient aircraft to smash up the principal cities of China. The Japanese in all conscience are up to quite enough deviltry on their own account without prominent Americans once more giving them a chance to say that they got the idea originally from the United States. It just so happens also that almost at the very moment that General Mitchell was making his incendiary statement, a telegram was flashed around the world from France telling of the invention of a light ray that could annihilate distant objects, airships or airplanes for example,

by the mere pointing of the ray against the attacking war machine; and its aim would be definitely and absolutely destructive because of the fact that rays of light, unlike bullets, would travel in a straight line and not in a parabola. Whether or not the telegram was a canard—for it is to remembered that such a ray has formed the basis of many a sensational military novel in past decades, and a somewhat similar claim was made for a death ray, said to have been experimented upon in France just at the beginning of the World War—there is just the possibility that it is true; or, if it is not true, it may be an intelligent anticipation of events, just as were the tales by Jules Verne, for example, "Twenty Thousand Leagues Under the Sea"—which in its time was avidly read by the younger generation, but which has in these days ceased to be exciting reading for the simple reason that modern submarines actually do in practice what Jules Verne had them do in his imagination. And if by any chance such a defensive ray should ever be brought brought into the realm of realities, General Mitchell's grandiose scheme, if adopted, while it might be very successful in getting the American government to spend millions upon millions of dollars upon airships, might not be so successful in smashing up the country of Japan, as he so confidently predicted—for it is not probable that such an invention would be the monopoly of any one country; at least there is no precedent for such a supposition.

C.E.R. TRANSFER WILL CAUSE LARGER SHANGHAI RUSSIAN COLONY

ONE of the inevitable results of the ousting of the Soviet personnel from the Chinese Eastern Railway—a foregone conclusion in view of the impending transfer of the line to the Japan-Manchukuo government—will be a still further increase in the already large Russian colony in Shanghai and other Chinese ports. Once more a tragedy as regards European residents in the Far East is being enacted, with the Japanese masters of the situation. When the Russians were driven out of Port Arthur and Dalny as a result of the Russo-Japanese war in 1904, they lost all their personal property; and if they realized five cents on the dollar on their real estate they were lucky. Japanese purchasers, with the aid of their government, were put in a position to buy the old Russian properties for a song. The same thing happened at Tsingtao during and following the World War, except that in that instance the victims were Germans instead of Russians. This time it will be the Soviet citizens that will be bedeviled of their property for the benefit of Japnese. The Japanese have already let it be known that they do not intend to allow the Soviet employees of the railway to remain in the country after their services with the railway have come to an end. The Soviet government is stated to be anxious to have them return to Russia, threatening to deny them their retiring allowances if they do not return. Those that have real property find themselves between the devil and the deep sea. They will have the greatest difficulty in getting transfer of their property, assuming that they will be able to secure buyers at this time. In the end it will probably turn out that many hundreds of them will suddenly and surreptitiously depart from Harbin,—not for Russia to which country they have no wish to return,—but for some port of China, preferably Shanghai, together with such funds as they will be able to scrape up. The posts held by Russians generally in the Chinese Eastern railway, whether under the Czarist government or under the Soviets, have to, a large extent, been sinecures, at least until the last year or so. They will find life in Shanghai hard sledding as compared with their rather happy-go-lucky existence as C.E.R. employees. However, to many of them, the chance of an independent, even though strenuous, existence is preferable to a return to their home land to become cogs in a huge industrial machine. This is not meant as a criticism of the Soviet plan. The same statement could be made about citizens of the majority of capitalistic countries, at present residing in the Far East.

ANOTHER REVOLUTION IS PUT DOWN IN SPAIN

THE beginning of the week witnessed another revolutionary outbreak in Spain, one of several that has occurred since the monarchical regime of Alfonso XIII was brought to an end. Madrid and Barcelona were the principal centers of disturbance. About 350 were killed and more than 1,200 were wounded before the Government troops put down the insurrection. Columns of telegrams from Madrid give details of the fighting and of the presumed point at issue. We will, however, not attempt even to summarize these, as the very plethora of them would merely obscure the real basis of the trouble, which is not even mentioned in the telegrams. Spain and France are two neighboring republics, both Latin, but the latter has been fortunate in having had its revolution almost a century and a half ago, and it really settled something, whereas the real revolution, the one that will remove the root trouble, is still to come in Spain. Napoleon followed up the work of the revolutionaries who confiscated the huge estates of the grandees and parcelled them out among the *hoi polloi*, with the result that France to-day is a land of contented peasants with small holdings. In Spain, however, the situation is still practically the same as it was in France before the guillotine was put into action. In Spain huge estates are in the hands of a few families and have been transmitted from generation to generation, through the centuries to the present holders. Prominent among these landed proprietors is the Church. Neither the civil nor the ecclesiastical hold on the soil, from which all sustenance comes, has been appreciably lessened either by the revolution that ejected Alfonso, or the outbreaks that have occurred since. The result is that generations still unborn will have to sweat to earn their living while the landed proprietors draw huge rents for no other reason than that their fathers and grandfathers did the same thing. So long as that situation continues there

are bound to be disturbances in Spain, and whether they take a Soviet or any other form is not important. The important thing for the future peace of the country is that these estates should be broken up, as for example by evolutionary means, as in Britain, or by revolutionary means as was the case in France and Russia.

IS THE U.S. SUPREME COURT SWAYED BY POLITCS?

IT is sometimes charged that the decisions of the Chinese courts are swayed by political considerations, the inference being that, for said reason, the Chinese desire to bring all foreigners in China under their jurisdiction should be opposed. This charge was made particularly at the time of the Japanese boycott, when it was probably correctly alleged that the Chinese courts did not enforce the laws against Chinese citizens caught red-handed in the destruction of Japanese property. For fear that Americans might feel themselves over-righteous in this respect, we reprint the following dispatch from Washington, Sept. 30, word for word (the italics are ours) as it was transmitted by the *United Press:*

"Washington, Sept. 30.—The new term of the United States Supreme Court starts Monday, and New Dealers are are looking to that body hopeful that it will support the administration's policies with liberal decisions, especially with respect to economic and monetary control. *Many observers believed that the tribunal will consciously or unconsciously be influenced by the November elections.* It is an old saying that the supreme court watches the polls.

"Some believe that if the administration suffers a serious set-back in the November elections the court may be less willing to uphold radical New Deal legislation, whereas if the elections are favorable, they expect the court will maintain the liberal opinion established during the last term. Still others believe that the court will entirely ignore political trends."

American Community Presses for Consulate General Appropriation

The American community in Shanghai, and particularly the American Chamber of Commerce, is acrively engaged in propaganda, which is receiving the full support of E. S. Cunningham, U. S. Consul General, looking towards securing an appropriation from Congress when it assembles January next for the building of a Consulate General building at Shanghai on the site formerly occupied in Whangpoo road. The sum required for the new building will be about $750,000. It is contemplated to use the plans already drawn up some years back. Meanwhile a small army of Chinese workmen is engaged in the task of stopping up the cracks which criss-cross the ceilings and walls of nearly every room in the old building (in its day the fashionable Ka-lee hotel) at present occupied by the American Consulate-General at the corner of Kiangsi and Kiukiang Roads.

Far Eastern Tropical Delegates Hold Congress at Nanking

The ninth congress of the Far Eastern Association of Tropical Medicine, opened in the National Health Administration Building in Nanking last week. At the first scientific session Oct. 4 more than 200 odd papers on medicine, surgery, obstetrics, pathology, plague, cholera, public health, etc., were presented. Wang Ching-wei, president of the Executive Yuan, in his capacity as honorary chairman of the congress, delivered the principal address at the opening session. He was also host at a dinner given in the ballroom of the Examination Yuan. Over 400 scientists and delegates with their wives, from all countries, were present. Mr. Wang made a felicitous speech, welcoming delegates to this country. Lt.-Col. A.J.H. Russell, public health commissioner for the Government of India, replied on behalf of the delegates.

THE GIST OF JAPANESE PRESS OPINION

In case of any attempt on the part of a third power to violate the peace of China, Japan will insist upon freedom of action for herself.—*Tokyo Nichi Nichi.*

The settlement of the C.E.R. railway question, which has been standing in the way of smooth relations for a long time, will mean that one of the conditions for a rapprochement with the Soviet Government will be realized.—*Tokyo Asahi.*

The conclusion of sale negotiations and the consequent transfer of the Chinese Eastern Railway to Manchukuo means *de facto* recognition of Manchukuo by the Soviets.—*Tokyo Chugai.*

It is very satisfactory to note the growing tendency among world powers to recognize Manchukuo. This is mainly due to the rapid development of the new Empire, and the earlier Japan revises her transitory administrative system there, the better it will be for all concerned.—*Tokyo Yomiuri.*

The new administrative system of Japan in Manchukuo has been determined, but the aftermath is stormy, as 6000 dissatisfied police officers in Kwantung Province have threatened to resign.—*Tokyo Miyako.*

All we hope from the American journalists and the British industrial mission is that they will observe conditions in the Far East with an open mind and guide the growing interest of Western countries in Japan and the Japanese in the right direction.—*Tokyo Nichi Nichi.*

The best interest of Japan, Britain and Manchukuo require that the British Industrial Mission go away with full knowledge of actual conditions in this part of the world.—*Tokyo Jiji.*

We hope that the British Industrial Mission will return home firmly convinced that there is no intention on the part of Japan to monopolize economic interests in Manchukuo, and that all bona-fide foreign investments in the new State are welcome.—*Tokyo Jiji.*

It will be impossible to issue the Manchurian bonds without interest. If this policy is forced, the bonds will lose credit and nobody will subscribe to them. The military policy is questionable from a financial viewpoint.—*Tokyo Miyako.*

Some officials of the Kwantung Civil Administration still continue to oppose the reorganized administrative system in Manchuria. For the sake of official discipline, this should by rational means be stopped, since it only prevents required control of Japanese administrative organs in the Manchu Empire.—*Tokyo Chugai.*

The Japanese inventive power is no less than that of Western peoples. It is desirable and necessary that more effective encouragement should be given to inventors by the Government as well as the capitalists.—*Tokyo Jiji.*

The hardships that the First Emperor (Jimmu) overcame through a patient and brave fight must be an example and and encouragement to the present Japanese nation.—*Tokyo Nichi Nichi.*

The political parties, which have been listless for months, seem to be taking a new lease on life as a result of the Government's decision to convene the Diet.—*Tokyo Chugai.*

If there had been any hopes for continuance of Japan's favorable balance of trade, they have been destroyed by the recent typhoon disaster.—*Tokyo Nichi Nichi.*

The Role of the Poppy in Japanese Imperialism: "Divide, Stupefi, et Impera!"

BY WILBUR BURTON

IN the art—or perhaps more precisely, the *racket*—of government, there has not been for 2,000 years any fundamental improvement on the basic principles of the Romans whose empire was one of the greatest that the world has ever known.

On both the home front and the imperialistic front, the Romans developed and put into succinct Latin the essential precepts of governmental policy that all successful ruling classes since have observed. Machiavelli, who as an Italian was the direct heir of the Romans, extended Latin political principles to some extent in his famous classic, *The Prince*, but the profound axiom of the Caesars—*panem et circenses*, literally meaning "bread and the circus," which is to say, "food and divertisement for the governed"—remains the foundation-stone of domestic statecraft whether the regime be democratic, monarchical, fascist, or communist. *Inter alia*, it may be noted that many modern governments have had much difficulty in finding enough bread for strict application of the precept, wherefore it has, perforce, been emended in this wise: "When short on bread, go strong on circuses." Thus we have such spectacles as the punching of Jewish noses in Germany, and the trials of alleged saboteurs in the USSR. The accused saboteurs, of course, may be guilty, but the trials have nevertheless been the Soviet equivalent of Roman holidays.

In imperialism, the motto of the Roman Empire was *divide et imperia*—"divide and rule,"—and this has also been the motto of all modern imperialistic enterprise, with its most shining application in British India and Japanese-British-French China. Now, however, the Japanese appear to be making an important emendation, which may eventually prove qualitative, in it. This is, perhaps, to be expected in view of the opinion of that bearded Boston Brahman, U.S. Congressman Tinkham, that the Japanese are "modern Romans,—the Romans of the Orient."

The indicated Japanese addition changes the motto to *divide, stupefi, et impera,—stupefi* (stupefy) being the best Latin rendering we can find for "narcotize," since opium and similar stupefying drugs were not known in Roman times.

Stupefi, which combines *stupeo* and *facio*, literally means "make stupefied,"—and that is exactly what the Japanese seem to be attempting to do to the Chinese population of Manchuria. Many publicists have commented on the growing opium monopoly in Manchukuo, and evidence indicates that it is the most successful aspect of that imperialistic experiment. In fact, it may be said that the Japanese have fulfilled their promise to make Manchukuo "a Paradise on earth" to the extent of making it "a Paradise of the Poppy."

Some very important details of the Manchurian opium monopoly were set forth in these columns on September 22 by the *China Weekly Review's* Harbin correspondent. Both production and distribution of opium are supervised by the Monopoly Bureau. Refineries are being established to make morphine and heroin. Divans are increasing. But no Japanese are to found in the public places of consumption, and if a Japanese attempts to purchase any form of narcotic, "*he is immediately spotted and reported to the authorities, who take care of him.*" The Chinese form the bulk of the addicts, but there are also many Russians and Koreans. In brief, all the *subject* nationalities of Manchukuo are not only allowed, but encouraged, to use narcotics,—while the Japanese there, however lowly, are not only discouraged, but forcibly prevented insofar as possible, from addiction.

If it were not for the measures to prevent Japanese from becoming addicts, the Manchuria opium monopoly might be dismissed as merely a scheme of unscrupulous Japanese business men and militarists to make money out of a conquered land; but while the financial aspect of the enterprise undoubtedly accounts for it in large part, there is, in addition, apparently a settled and subtle principle of imperialism involved.

At this point, it is necessary to set forth some important facts on the effects of narcotic addiction that have been gleaned from long study and observation. Physically, it may doubted if the effects of smoking opium are substantially worse than the daily use of alcohol to the extent of eight or ten whisky-sodas. The physical effects of morphine and heroin, which are derived from opium, are much worse than those of opium itself, although the relatively low narcosis inherent in Far Eastern morphine and heroin makes them less degenerating than the purer products manufactured in the West. To put these items in terms of industrial efficiency, an opium-addict is not essentially handicapped over a non-addict as a hewer or wood and a drawer of water, and neither is an addict of morphine or heroin except that his or her life-span as a worker will undoubtedly be appreciably shortened.

But while the physical effects of opium may be no worse than those of whisky in large, daily doses, there are paramount *psychological* differences that must be taken into consideration. Opium is purely a narcotic; alcohol is, to large extent, a stimulant. Both pioneering and fighting may be carried on extensively and efficiently by alchhol-addicts. Most opium-addicts, on the other hand, gradually lose all interest in fierce, worldly affairs to seek only the Nirvana which comes from inhaling the burning, conical-shaped poppy-pills on a divan that, for nonce, seems to be an ethereal bed of eider-down. In the case of users of morphine and heroin, a similar tendency

is even more pronounced. Another important aspect of narcotic-addiction may be best illustrated by police experience. Contrary to much popular opinion, narcotic-addicts are not good criminals, although craving for their drugs may sometimes drive them to desperate expedients. But they never comprise efficient gangs, for upon arrest the police have but to keep them off narcotics for a while and then promise a dose for a confession. Whereupon they break easily. On the other hand, alcohol is only rarely so habit-forming that promise of a drink would induce a person to do something that he would otherwise not do,—or, conversely, induce him *not* to do something he would otherwise do.

Thus, it may be seen that from the imperialistic viewpoint, there are many advantages in narcotizing subject peoples. Narcotics will not substantially interfere with the hewing of wood and the drawing of water that is the classic lot of subject peoples, and at the same time they can be easily ruled. A narcotic-addict is not very likely to became a revolutionary,—and should he know of revolutionaries, he can easily be made to "squeal" on them, that is, be an informer. In other words, his energy for the simple tasks of subject peoples is adequate, and his will to revolt, or even demand a better deal, is subordinated to his craving for narcosis. Further, much profit can be made out his narcotic-habit, for opium can be produced very cheaply and then taxed all that the traffic will bear,—which is to say, up to the limit of the buying power of the addicts. Also, a narcotic-addict asks little more of life than his daily drug. In consequence, the narcotic-addict is the ideal slave, for he will give his all to his master without more than a whimper in return for enough food to subsist and enough opium to forget.

The rapid expansion of narcotic-addiction in Manchuria that may be expected from Japanese policy there, is, then, matter of vital significance. It should not, incidentally, be overlooked that Japanese encouragement of narcotic-addiction is but one side of the situation; a conquered and oppressed people will inevitably, by well known laws of psychology, seek some form of escape,—and making narcosis easily available to them offers a negatively-pleasant way of ecape which the most strong-willed cannot help but be tempted to follow. Further, the apparently increasing narcotic-addiction in China, especially North China, must not be neglected in viewing the situation. Opium from Manchukuo, especially Jehol, is said to be pouring in ever larger quantities into North China, and only last month the *North China Daily News* carried a long article from its correspondent in Peiping which stated that huge amounts of opium were arriving there from Kansu *via* Shansi. All of which means that an increasing number of people are being so stupefied that they would neither oppose nor care, if and when Japan should attempt to embrace them within her imperialistic sway.

Indeed, upon analysis, the role of the poppy in Japanese imperialism appears to be an item of tremendous significance. Further, opium as a base of power may verily prove to be something new under the sun in statecraft, both on the home front and on the imperialistic front; for, even though Japan is protecting her own people from narcotic-addiction and endeavoring to keep them content with rice and conquest instead, some other nearby government may establish the principle that opium is an ideal substitute for both bread and circuses. Eventually, then, political division would cease to be of importance. Thus, the tactics of government would be reduced to the simple policy of *stupefi et impera*,—which may be the ultimate contribution of *Dai Nippon* to civilization.

Japan Insists on Excluding Politics at Navy Talks

JAPAN will either withdraw from the London Naval Armament Limitation Conference or refuse to participate in it if political questions are added to the agenda.

This was the evident reaction in the Japanese Capital to the news from London, that the United States delegation to the conference would attempt to extend the agenda to include political issues. Japanese circles particularly wish to avoid the discussion of the balance of power in the Far East if and when Japan announces her abrogation of the Washington Treaty. Although no official announcement has been made on the question, the Japanese Government evidently intends to continue its policy of "hands off political problems" at the London preliminary conversations and the Naval Conference of 1935.

U.S. Will Insist on Retaining 5-5-3 Navy Ratios

The American delegates to the London preliminary naval conversations, Norman Davis, President Roosevelt's ambassodor-at-large, and Admiral William Standley, chief of Naval General Staff, will firmly express themselves in favor of the maintenance of the present naval ratio of 5:5:3 between the United States, Great Britain, and Japan and will insist on the maintenance of the maximum tonnage for the capital ships at 31,000 tons, the New York *Herald-Tribune* writes, while commenting on the forthcoming trip of American representatives to London.

Mitchell's Declarations Sharply Criticized in Japan

The repercussion in Japan of Brigadier-General William Mitchell's sensational statement before the Aviation Commission in Washington last week that "Japan is our most dangerous enemy" and that the United States should have a force of 50 airships as a stand-by in the event of war with the Island Empire, is reflected in the fact that sharply worded comments are appearing in the Japanese press, which suggests that the former U. S. Assistant Chief of Militaty Aviation should not indulge in sensational remarks calculated to disturb the peace of the Naval Disarmament Conference. The Tokyo press scouts the idea of America building a force of 50 airships in view of her experience with dirigibles, and militarv circles do not think that Brigadier-General Mitchell means business.

Japan Will Abrogate Washington Treaty in Near Future

Belief that Japan will abrogate the Washington Naval Treaty within a short time was expressed by Rear-Admiral Isaburo Yamamoto, Japan's delegate to the London pourparlers upon his arrival in New York October 7 en route to the British capital. The Japanese delegate said that, if an agreement cannot be reached at London, he thinks discussions should be re-opened in 1935. He opposed abandonment of efforts to reach an understanding should the London preliminary conversations come to a breakdown.

Sen. Nye to Proposes Law To Strip War of Its Profits

Measures to strip war of all its profits are under consideration by Senator Nye, chairman of the Senate Committee of Inquiry into the armaments industry. He stated recently that he intended to introduce in the next Congress a bill providing for the doubling of Federal income tax on incomes under $10,000 and the taxing up to 98 per cent of incomes above that amount. The bill would become effective on a declaration of war.

Japanese Responsible for Dr. Rajchmann's Contract Not Being Renewed

A Geneva message September 29 stated that the whole question of reappointing Dr. Rajchmann to the China post was complicated by the attitude of the Japanese concerning international interests in China. It is believed that this state of affairs has been partly responsible for the decision of the committee not to renew Dr. Rajchman's contract.

China Forced to Meet Japan Halfway

BY CHEN FU-SHENG (陳福生)

CHINA can no longer pursue her policy of "wait and see." Watchful waiting is a thing of the past; it is now time for her to take a decisive step. The new international developments have forced China to meet Japan halfway. Great Britain's despatch of an industrial mission to Manchukuo, Soviet Russia's determination to quit the Chinese Eastern Railway, the League Assembly's rejecting the claim of China to reeligibility as a non-permanent member of the Council, etc., are conclusive evidence that the so-called "big powers" of the world either have kept themselves aloof from the Sino-Japanese issue or have taken actions to aggravate the situation. Amidst these circumstances, China has no alternative but to hold out an olive branch while building up her power of resistance. That a fortress in the hand is worth two treaties in the League's vaults appears to be Turkey's motto; it should also be China's motto. But when China is building up her national defense, she must necessarily ease the strained relations between Japan and herself.

Hu Han-min, it is said, urges Nanking to adopt a strong foreign policy, but so long as China is not strong enough, how can she have a strong policy? China is not now in a position to fight against Japan, nor is she backed by a certain power or powers to curb Japan's ambition. Worse still, she must concentrate most of her armies in Kiangsi and elsewhere for communist suppression. Japanese militarists, taking advantage of China's internal conditions, as well as international developments certainly will bring increased pressure on China to press for her demands. The only course China is forced to pursue is compromise. It would naturally incur the displeasure of most patriotic Chinese but it cannot be helped.

Russia's Admission Into the League

It is a matter of gratification to all European powers that Soviet Russia has entered the League. That Russia's entry may strengthen the prestige of the League is probable but that it might help the solution of the Far Eastern outstanding issues is improbable. To many political observers, it seems that by joining the League, Russia can have her anxiety over the European frontier greatly lessened and she will thus divert her attention to Far Eastern affairs. This is partially true. The very fact that Moscow, while entering the League, has shown its readiness to dispose by sale of one of its most important economic and strategic interests in the Far East indicates that it still is Russia's European relationships that are her chief concern. Very likely Russia's Asian problems will not figure prominently in the League's agenda.

Furthermore, Russia has joined the dance in Geneva, but she intends to play her own tune. She is "in" but not "of" the League. She, as we know, joins the League with a clean slate. Although she has in principle subscribed to the League Covenant, yet she has not submitted to it without reservations. It is highly problematical whether she will abide by the League's resolution of non-recognition of Manchukuo. In view of the recent developments concerning transfer of C.E.R., one might venture to suggest the possibility, although not necessarily probability, that after the transfer of C.E.R. is wound up, Russia may accord recognition to Manchukuo, de facto at least.

China Dropped from the League Council

Of interest in connection with Russia's entry to the League, is China's exit from the Council. No one denies that the two greatest problems in the world are disarmanent and the Far Eastern situation and that these two problems are interlinked. China is a great Asian nation and a staunch supporter of the League Covenant. To the utter disappointment of all, China is no more represented in the Council. "The League as conceived of by Woodrow Wilson is dead. There remains only the spectre of a hybrid."

Many Chinese, indignant over the injustice the League has done to China, advocate China's withdrawal. So far as my observation goes, it is not advisable. The League is helpless when it decides to stand for China, but it will have strong support if it chooses to do things against China. As pointed out by the editor of *Sin Wan Pao*, the League may be weak when it stands for justice, but it might not be so weak when it decides on something unjust.

An Industrial Mission to Manchukuo

Modern diplomacy recognizes reality more than justice. In fact there is absolutely no justice in international relations. The Powers attach more importance to their own interests than anything else. In spite of the tense situation in the Far East, Great Britain has sent an industrial mission to Manchukuo. To quote the words of Lord Barnby, leader of the mission: "It is our desire to connect Great Britain, Japan, and Manchukuo with the chains of friendship...I cannot discuss any political questions, for our mission is purely industrial in its nature, but my personal feeling is that no gain will be made by Great Britain or any other foreign power by further delaying the recognition of the government of Manchukuo" It goes without saying that Great Britain expects economic ties between Manchukuo and herself to strengthen their political bonds. There is immediate likelihood of Great Britain's taking the lead in recognizing Manchukuo.

Great Britain is said to be a traitor to the white man's cause. But for the strong opposition of the Dominions, she would revive her alliance with Japan though revival of Anglo-Japanese Alliance is a threat to the world peace.

America's Attitude

The United States is dedicated to the policy of the Good Neighbor; she attempts to avoid conflicts with all of her neighbors. What with the social unrest at home, what with the new developments in Europe, she has, in all probability, deviated from the Stimson Doctrine; she is seemingly drifting to the policy of non-interference. Whatever Japan does in the Far East she will not interfere unless it is the last straw on the camel's back.

To sum up, China is driven by the realities of the situation to make conciliation efforts; she is forced to swallow the bitter pill given her by the Powers interested in Far Eastern affairs. She cannot refrain from establishing a friendly relation with Japan though she would jeopardize her interests in doing so. Necessity knows no choice. The recent international developments have sidetracked, if not wrecked, China's plan of closer rapprochement with America. Soviet Union, etc. To resist Japan single-handed and to adopt a strong policy when China's national strength is not, as yet, consolidated, would incur great calamities, would invite repetition of the Mukden Incident, would make the tension still more tense.

Foochow, September 29, 1934.

As a Japanese Sees Far Eastern Diplomacy

The following is an extract from an article by Soho Tokutomi, Japanese historian and columnist, reproduced by the Japanese Military Information Service at Tientsin. The article was headed, "The Real Lesson Given by Self-killing Diplomacy."

Great Britain, after the Great War, saw that the United States was becoming the richest country in the world, and thought that the abolition of the Anglo-Japanese alliance might be the best bribe to offer the United States, so as to benefit herself, and at the Washington conference she washed her hands of Japan. However, the result was quite contrary to what she expeeted, and neither Japan nor the United States were grateful to Great Britain, and finally she lost both countries.

The United States policy towards China comes next. The United States having regarded Japan as a hindrance, tried to extend her influence in China by giving her support to China, but the result was exactly the same as throwing a piece of ice into a pond, and it was China who was more disappointed in America than America with China. China's traditional policy was to be on good terms with far-away countries, but to attack the near ones, but this policy can only be applied when the neighbors are weak. However, the United States is anxious to extend her influence in China, but no matter how much China tries to have the support of America, nothing can turn out successfully if they ignore the existence of Japan, or adopt a hostile attitude towards the Japanese.

C.I.F.R.C.'S Next Annual Meeting to Be Held at Sianfu

The next annual meeting of the China International Famine Relief Commission will be held in Sian, Shensi, on May 17 and 18, according to a decision reached at a meeting of the Executive Committee held the Western Returned Students' Club in Peiping Oct. 5. Dr. W. W. Yen, Chinese Ambassador to Soviet Russia, and Chairman of the Commission, presided. The meeting also discussed the invitation of the Japanese Red Cross Society to attend the conference of the International Red Cross Society to be held in Tokyo on October 17. It was decided to write to the Japanese society, expressing the inability of the Commission to send a delegate to the forthcoming convention.

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General Chiang Kai-shek Says There Will Be No Dictator in China

GENERAL Chiang Kai-shek in an interview given to a representative of the *North China Daily News*, after being questioned with regard to the reports of an alleged secession movement on the part of the Kwangtung and Kwangsi military leaders from the fold of the Central Government in Nanking, said that he is certainly not preparing for further civil warfare and that he does not believe the southern leaders wish to fight him and his adherents. So far as he is concerned, he is too busy battling the Communists and rehabilitating of the areas recovered from the Reds, and is too interested in the New Life Movement to think of internecine warfare. Of course, if the southern leaders wish to start a fight, they will have to assume the responsibility, but he will not be the aggressor: he will, of course, obey the orders of the Central Government and will aid in the suppression of rebellion if called upon to do so.

General Chiang Kai-shek

No Plan for Dictatorship

Asked whether or not there was any truth in the rumors that he is working to establish himself as a dictator, General Chiang laughingly said that these were lies. There was no need for a dictatorship. He said he held a number of important positions in the National Government and the Kuomintang, military and civil, and it was only natural that his duties should be varied and heavy. Many people misunderstood this and were under the impression that he is working to seize supreme power in the government but, he stated decisively, there is nothing further from his mind than this.

In turn, Gen. Chiang asked what other rumors that had been heard in Shanghai about him. When informed that there was one which concerned an impending divorce from Mme. Chiang, he said, "That is as ludicrous as is the story that a certain man, eager for a post, has presented me with twelve beauties as a present to obtain the job!" While recounting this, the General chuckled and Mme. Chiang, who was present, joined in the laughter. In fact, it was apparent to the writer that there was not a more loving couple in Kuling; they acted like newlyweds rather than a married couple of several years' experience.

Gen. Chiang then mentioned his New Life Movement in Kiangsi with just pride, observing that it was a great joy to him to see that it was meeting with such a wonderful response. He suggested that critics in Shanghai should pay a visit to Kiangsi and see things for themselves. "Only then can they understand and appreciate present problems," he said.

Reverting to the question of a dictatorship, Gen. Chiang said that, although there was no need for a dictator in China, he believes that there should be more action. His own observations were direct. At the present time, there is too much overlapping in the official bureaus and there are conference without end. Little has been achieved through these weighty discussions, the results of which, in many cases, could not be enforced and, in any case, were not enforced, with the result that they were only empty talk. "There is nobody to assume responsibility for the carrying out of the decisions," he declared, "and therefore nothing is accomplished." Of course, he admitted, the principals of the government should confer but, he added, "It is a waste of time to hold too many conferences." Because of these beliefs, General Chiang said, he was accused of scheming to establish a dictatorship. This form of government may be very well for Italy and Germany, he asserted, but those countries may not be compared with China because China is much too big to be ruled efficiently by a dictator. Italy and Germany are, in fact, smaller than some of China's provinces and China is bigger than all of Europe, he pointed out. As he has been assigned a number of posts in the Government, it is only natural that, at times, he should express his opinions, but the mere fact that he expressed his opinions and that these opinions were sometimes carried out by the National Government could not signify that he was proposing to make himself a dictator, he declared.

Asked about his attitude towards Japan and foreign affairs, Gen. Chiang first warned said that he was not a diplomat and then, after his attention was drawn to the charges that he was pro-Japanese because of his alleged inaction in the face of a foreign invasion, he countered, "Do you think I am pro-Japanese? Who sent the Fifth Army, the 87th and 88th Divisions and the Revenue Guards to Shanghai to assist the 19th Route Army who had no heavy artillery but only rifles and machine guns?" he queried. "Where did the Chinese heavy guns come from? The 19th Route Army were stationed in Chapei and Woosung but the brunt of the fighting was borne at Kiangwan and Miaohongchen by troops which I sent to Shanghai."

Queried concerning the recovery of Manchuria, Gen. Chiang said that the Central Government had a fixed policy in this respect and to this he adhered. The question of re-taking Manchuria is one which only the future could answer and it is dependent upon the ability of the Chinese nation, he said. All Chinese realize the importance of re-taking Manchuria but, frankly, it is suicidal to think of attempting to recover it just now. China does not recognize the seizure of Manchuria and has repeatedly refused to sign any agreement recognizing Japanese control over Manchuria or its so-called independent status.

Government's Strong Position

Gen. Chiang said that there still remain some 50,000 Communists with 60,000 rifles in Kiangsi and Fukien but the Government troops out-number them by seven or eight to one and, in addition to this, excellent work is being done by the Government's air force. The Reds are now surrounded by the joint Kiangsi, Kwangtung, Kwangsi, Fukien and Hunan forces. As a matter of fact, the general added, if the Government forces wish to take back the remaining districts and the Red "capital," immediately, it can be done, but the High Command wishes first to build and repair the military roads and build forts and block-houses, thus to prepare for any attempted "come-back" on the part of the Reds.

After referring to the New Life Movement, of which he is the founder, Gen. Chiang expressed his confidence in the future of the country and his faith that it will be unified in fact within a short period of time. He is distinctly optimistic over the general outlook and firmly believes early national peace and unification is written in Chinese destiny. Only these will result in lasting benefits and happiness for the Chinese people, he concluded.

Eight Thousand Take Part in "New Life" Campaign in Nanchang

For the first time in Kiangsi, and as a matter of fact for the first time in China, more than eight thousand people, who have undergone thorough citizenship training during the past few months, were reviewed on September 30 by the Education Commissioner Chen Shin-kwei and officials and representatives from Nanchang organizations, including Yen Pao-hang, secretary-general of the New Life Society, the Chief of Police, Col. Hsiang Kwang-tu, and others. Coming from ten areas, the people, men as well as women, were all in good spirits and properly dressed, showing that they have received good discipline and strict training through the leadership of Chen Chih-kwei.

Shanghai Exports to U.S. Show Increase

Shanghai's exports to the United States during the first nine months of this year showed a marked increase over the corresponding period of 1933. Statistics compiled by the American Consulate-General in Shanghai show a grand total of U.S.$8,578,298, for the nine-month period—a gain of more than U.S.$1,000,000 as compared with the 1933 total of U.S.$7,317,341 for the first nine months. For the month of September alone, the Shanghai exports to the United States were valued at U.S.$642,390. The period was featured by the marked absence of gold shipments destined for American ports. Silver exports to U.S. from Shanghai, however, were valued at U.S.$15,955,072 as compared with U.S.$15,088,284. During the first nine months of the year, silver exported to the United States amounted to 35,272,777 ounce as compared with 45,138,357 ounces, despite the lower value in the corresponding period of 1932.

General Chiang Kai-shek Inspects Central Provinces; Japanese Paper Warns China to "Stay Good"

High Lights in the Events of the Week;

1. **General Chiang Inspects Conditions in Hupeh and Honan**
2. **Anti-Communist Campaign Progresses in both Kiangsi and Fukien**
3. **Tokyo Nichi Nichi Warns China to "Stay Good"**
4. **Japanese to Divide Manchuria into Ten Provinces**
5. **Anchin Lama Leaves for Lhassa**
6. **Double Tenth Anniversary Quietly Celebrated Throughout Country**

General Chiang Kai-shek, Chairman of the Military Affairs Commission, arrived at Hankow from Kiukiang morning Oct. 5 on a tour of inspection to the Central China provinces. General Chiang is being accompanied by Madame Chiang. He stayed at Hankow and Wuchang for five days and left for Honan in the morning of Oct. 9, arriving at Loyang on the same day. He is there to attend the opening of the Loyang School of the Central Military Academy on Oct. 10, the Double Ten Anniversary, and to inspect conditions in Honan generally.

Prior to his departure for Honan, General Chiang summoned an important military conference at the Wuchang Military Headquarters which was attended by high military commanders in Hupeh, including Marshal Chang Hsiao-liang, General Ho Chen-chun, Pacification Commander of Hupeh, General Chang Chun, Chairman of Hupeh, General Liu Shih, Chairman of Honan, General Liu Mou-an, representing General Liu Chen-hwa, and many other leading military officers of Hupeh, Honan and Anhwei. The conference was opened when each of the attending generals rendered report on the bandit situation in his defense districts. General Chiang then explained the measures which he and Marshal Chang Hsiao-liang have mapped out for the rounding up of the Communist remnants in the three provinces. The various military commanders also made proposals on bandit suppression and rehabilitation of the bandit ravaged districts.

General Chiang addressed a large gathering of over 500 high officials in Hupeh assembled at the Enlarged Weekly Memorial Service of the Wuchang Military Headquarters Oct 8. In the course of his address, General Chiang remarked that while appreciable progress had been made in both the civil and military administrations in the province during the past two years, nevertheless the 14 points as contained in the Outline of Administrative Reforms are far from being fully carried out. Thus far, General Chiang continued, only a plan has been worked out, while the foundation remains to be strengthened. Henceforth, General Chiang urged, efforts should be made to hasten the execution of the reforms and more attention be paid to rural rehabilitation than urban reconstruction. General Chiang laid special emphasis upon the observance of the principles of the New Life Movement and enforcement of peace preservation and rehabilitation measures in the districts which have been recovered from the Communists.

Dr. H. H. Kung, Vice-President of the Executive Yuan and concurrently Minister of Finance, in an interview with the *Chekiai Agency* Oct. 6, scouted the rumors circulated at Shanghai of a possible open rift between Nanking and South China. Dr. Kung pointed out that Generalissimo Chiang Kai-shek is the Commander-in-Chief of the Bandit-Suppression Forces for the Five Central China Provinces and he maintains his permanent headquarters at Hankow. Nanchang is only his field headquarters. Dr. Kung has been informed of General Chiang's visit to Hankow where the Generalissimo plans to confer with General Chang Hsueh-liang and his other military commanders with a view to completing the communist suppression campaign on the Hupeh-Szechuen border and at the same time to inspect personally the conditions in the Central China Provinces.

Labour circles at Nanking despatched a telegram Oct. 4 to General Chiang Kai-shek, highly extolling him on his meritorious services to the Party and the State in the suppression of the Communist banditry. "Your able direction of the bandit-suppression forces is mainly responsible for the recovery of vast territories from the "Red" marauders, and the alleviation of the sufferings of hundreds of thousands of our fellow countrymen," the message states.

Only six districts in Kiangsi are now still remaining under the control of the Reds, while all the other cities which were at one time or another occupied by them have been recovered, according to official information from the Nanchang Military Headquarters. The six districts awaiting recovery are: Jiukin, Shihcheng, Ningkuo, Ningtu, Yulu and Taiho, all in southern Kiangsi. Military operations against the six Red strongholds are making appreciable progress and their capture is expected in the near future. In view of the impending recovery of the districts concerned, the Kiangsi provincial authorities have taken measures to arrange for the return of the refugees to their homes and to raise funds for their relief.

Shihcheng, the important Red base on the Kiangsi-Fukien border near Juikin, the so-called Red Capital, was completely occupied by the units of the Government's 14th Division in the morning of the 6th, according to an official communique received from the front by the military authorities at Nanchang. The Reds defending the city had been routed, leaving behind them a large quantity of the latest type of arms and ammunitions. They are retreating in the direction of Ningtu and Juikin with the Government troops in hot pursuit. More than 300 Red officers and men have been taken captive, the communique added.

To avoid air raids by Government aeroplanes, the "Soviet Government" at Juichin has been removed to Kiangsiwei, a town about seventeen miles distant.

Criminal among whom there are many communists will be sent to reclaim and rebuild what the communists have destroyed and laid desolate in Kiangsi Province, according to plans of the Ministry of Justice announced to press men by Shih Chih-chuan, vice-minister of justice.

The Government's campaign against the Communists in Fukien is making rapid progress in both western and northern fronts. Battling their way towards the Red stronghold, Changting, in western Fukien, the Government forces have succeeded in capturing Tatackeng and Chungaocheng villages leading to that city and in inflicting heavy casualties on the Red defenders. Realizing that their position at Changting is untenable, the Communists are preparing to abandon their long held-out citadel, having already removed their important documents to Kiangsi. Li Lih-shan, formerly a notorious labor agitator in Shanghai, who is now commanding the Red defense force at Changting, is reported to have ordered his commanders to withdraw into Juikin in Kiangsi.

Due to the vigorous offensive operations by the Government troops, the Communists in northern Fukien have been reduced into scattered and stray bands losing contact with one another. Their strength has dwindled almost to nil. An enveloping movement is being carried out by the Government troops on the straggling Reds and it is expected that before long northern Fukien will be completely cleared of any Red trace.

Heavy fighting is in progress in western Fukien where more than ten divisions of Government troops are engaged in a vigorious drive against the Communist stronghold at Changting. The Communists there made a desperate counter-attack on Oct. 4 on the positions held by General Li Muan's 10th Division. As Li's men were greatly outnumbered, they suffered heavy casualties, but the Communists were later driven back with the timely arrival of Govetnment reinforcements. The Reds have now been practically surrounded and the Government authorities are confident that Changting will be captured in the course of the next few days

Despatches from Lungyen report that owing to the advance of the Government troops from both south-eastern Kiangsi and western Fukien, the Reds have removed their capital from Juikin in south-eastern Kiangsi, to a point further west. While one report states that the present headquarters of the Reds is now at Kiangsiyu, 17 miles west of Juikin, another report states that the Red government has been removed to Chienchiuhao, between Juikin and Hweichang, Red stronghold in southern Kiangsi.

The vanguards of the Eastern and Northern Route Bandit-suppression Forces are now converging on Changting, capture of which is regarded as a matter of certainty in the imminent future. Following up their victorious advance, units of the two route armies are pressing forward from different directions with Changting as their joint objective. The five lines of defence of the Communists leading to Changting have all been broken through as a result of the vigorous offensive operations and Changting has now become their last resort of retreat in western Fukien.

The strength of the Communists on the Fukien-Chekiang border had been considerably reduced as a result of the vigorous campaign launched against them by the Government forces. When the Communists first penetrated into Chekiang their strength was around 7,000 men, but after severe engagements with the Government forces, the number was reduced to 2,000. The Chekiang troops have completely surrounded the rest of the Reds in the border districts and their complete elimination is momentarily expected.

The Naval Ministry has appointed Rear-Admiral Wang Shou-ting, Commander of the Training Squadron, as concurrently Acting Commandant of the Mamoi Forts, in place of Rear-Admiral Li Shih-chia who is recuperating from illness in Shanghai.

Part of the Eastern Route Bandit-suppression Forces have routed the "Reds" at the line extending from Taipingling, Chihshuling, Chuyenling, Sungmaoling, Chisinghengpai and Shangkumoling to Kungsienyen. The hilly regions west of Chungwotsun, strategic point less than 30 miles east of Changting, "Red" stronghold in western Fukien, have been occupied, the telegraphic report from General Chiang Ting-wee, Commander-in-Chief of the Eastern Route Forces, states. The Government troops are about 10 miles from Hotien, the second strategic point leading to Changting city. The occupation of Hotien is imminent.

General Liu Hsiang, Chairman of Szechuan Provincial Government and concurrently Commander-in-Chief of the Szechuan Bandit-suppression Forces, has returned to Chengtu from Chungking during the week. Although he has not officially withdrawn his resignation, he is understood to have assumed active command of the bandit suppression forces. General Liu has received a fresh consignment of military supplies from General Chiang Kai-shek.

General Chiang Kai-shek has issued strict orders to General Liu Hsiang and other military commanders in Szechuen instructing them to reform their lines and redouble their efforts to suppress the Reds in northern Szechuen. The Generalissimo has also ordered the dismissal and punishment of General Lo Cheh-chow, who was responsible for the loss of Yilung to the Communists.

Considerable progress has been made by the Szechuan troops in the counter-drive against the "Reds." The Szechuan forces have recovered such strategic points as Changlingchai, Laochunshan, Fenghuangchai, Shihchiaoho, Weniaoshan, Chichiashan and Wangchungchai. The defeated outlaws retreated in disorder towards the Pa Ho and Menghsui Ho (River). No traces of the bandits can be found south of Kianglingki, one message adds.

General Wang Chia-lieh, chairman of the Kweichow Provincial Government, has decided to proceed to the front to take personal command of the anti-Red campaign in eastern Kweichow. The Communists under Ho Lung are very much active in eastern and northern Kweichow and the Kweichow provincial troops have been unable to suppress them. In order to make a determined drive against the Reds, General Wang has decided to assume personal charge of the operations.

Nichi Nichi Warns China to "Stay Good"

If the Nanking government adopts a policy directed against Japan, "Japan will not only abandon the policy of goodwill towards China, but also resort to most effective measures of suppression at any time she may consider necessary," stated the *Nichi Nichi*, Japanese newspaper at Tokyo Oct. 3. The newspaper points out further that if China is reckoning upon Japan's international difficulties in connection with the forthcoming naval conference to start anti-Japanese activities, or if any third power commences anti-Japanese activities in China, Japan will immediately take resolute measures to check such actions. In case of any attempt on the part of a third power to violate peace of China, "Japan will insist upon the freedom of action for herself," concludes the newspaper.

Reuter reported from Dairen Oct. 4 that "Manchukuo" is to be sub-divided into 10 administrative provinces. The reason for the move is to make the administration and policing of the provinces more effective. The existing four provinces into which the country is divided are considered too vast. Following the approval of the Privy Council and the granting of Imperial sanction, the reorganization of the provinces will commence on December 1, thus allowing adequate preparations to be made in the meantime, especially for the guaranteeing of the efficiency of garrisons. The 10 provinces will be named Fukien, Kirin, Pinkiang, Heilungkiang, Chinchow, Antung, Jehol, Sankiang, Chientao and Heiho.

Ten more Chinese nationals deported by the Japanese Government have arrived in Shanghai at beginning of this month. They formed the fourth group to come back to China, bringing the total up to 74. Eight others are expected to arrive at Shanghai from Tokyo shortly.

Interviewed by the *Chekiai Agency's* correspondent in connection with the illegal deportation of Chinese merchants and confiscation of their properties by the Japanese authorities, a spokesman of the Ministry of Foreign Affairs declared Oct. 9 that a third protest is under preparation and will be sent to Tokyo before the end of this week through Japanese Legation at Nanking. The Note will give further details of the facts of the case and demand of the Japanese government an equitable settlement of the same.

According to the Bureau of Foreign Trade, the total value of Japanese goods imported through Shanghai for the period from January to August inclusive amounted to $134,391,614.

Taking advantage of the breakdown of the anti-Japanese boycott, 85 leading industrial firms and factories in Tokyo, Osaka, Kobe and other large cities in Japan will soon launch an intensive campaign to push Japanese trade in Shanghai and the Yangtsze valley. Eighteen Japanese industrial leaders have arrived in Shanghai to open an exhibition of Japanese goods here and will later visit various centres in Central China.

A squadron of 28 Japanese bombers and pursuit planes is participating in the autumn maneuvers of the Japanese troops stationed in Jehol. The maneuvers started October 5 and will last seven days. All of the Japanese troops at Hsinglung, Chienan, and other places along the Great Wall, having left for Jehol since October 1, are also taking part in the sham battle.

As a result of the repeated negotiations between Mr. Ying Ju-ken, Administrative Inspector of the Chihsien-Miyun Area and Col. Shibayama, the Japanese military attache, the Japanese troops stationed at Myiun have been completely withdrawn into Kupeikow. The evacuation began on the 3rd inst. and was completed Oct. 7. The Office of the Administrative Inspector of the Chihsien-Miyun Area has dispatched a squad of police to take over the garrison of the evacuated area and the new magistrate of Miyun has also arrived to assume his duties. Negotiations for the retrocession of Malanyu and the East Manchu Imperial Tombs are progressing favorably and it is expected that an agreement would soon be reached. Mr. Ying left Peiping for Tientsin Oct. 9 to participate in the trial of Wang Ching-hung, the alleged culprit responsible for the killing of the Japanese merchant, Miyakoshi, in Yutien sometime ago.

No date has yet been fixed for the formal retrocession of the Malangyu Pass by the Japanese. The report that the Pass will be returned to China on October 15 is premature.

Wang Ching-hung, the alleged culprit responsible for the killing of Yesaburo Miyagoshi, a Japanese merchant in Yutien, has finally been apprehended in Tangshan, and will be handed to the judicial authorities at Tsunhua for trial. During the preliminary interrogation at court in Tangshan, Wang was stated to have confessed his guilt. He was later brought to Tsunhua under military escort for further questioning.

Sze Chan-tang, the principal culprit who was responsible for the bombing of the first through train on the Peiping-Liaoning Railway on July 1, was executed at 6 a.m. Oct. 5 at the Tienchiao execution ground. Sze was a native of Liyang in Kiangsu and a young man just over twenty years of age. He was tracked down at Tientsin nearly a month ago and after being brought to Peiping under armed escort, he was court-martialled and finally sentenced to death.

Interviewed by the *Chekiai Agency's* correspondent regarding the reported sale of the Chinese Eastern Railway to Japan, a spokesman of the Ministry of Foreign Affairs declared Oct. 8 that the Ministry had again cabled the Chinese Embassy at Moscow to make further representations to the Soviet Government, reiterating China's stand as defined in the Mukden-Russia Agreements. The spokesman intimated that more energetic action will be taken to protect Chinese rights on the Railway, should developments in future in connection with the matter warrant.

The 5th plenary session of the Peiping Political Affairs Readjustment Committee was held Oct. 6 under the chairmanship of General Huang Fu. Among those present were Generals Han Fu-chu, Yu Hsueh-chung, Sung Che-yuan, Hsu Yung-chang and Fu Tso-i, Chairman respectively of the Shantung, Hopei, Chahar, Shansi and Suiyuan Provincial Governments; Mayors Yuan Liang and Shen Hung-lieh of the Peiping and Tsingtao Municipalities. The morning session was devoted to the reading of reports. After General Huang Fu had reviewed the administrative affairs of North China in the past year, Ho Chi-kung, Secretary-General, reported on the work of the Committee. Reports were then made by the five Provincial Chairmen and two city Mayors on conditions in their respective provinces and municipalities. These were followed by another report by General Huang on his trip southwards. In the afternoon session, two proposals submitted by General Huang Fu relating to the establishment of a Training Institute for local administrative workers and a Station for the training of officials for the direction of rural administration were adopted.

Rumors to the effect that the Mongolian Local Autonomy Political Affairs Council will be abolished shortly, are emphatically denied by the Council in a telegram to Wu Hao-ling, Director of the Nanking Office of the Mongolian Leagues and Banners.

Prince Teh, Chief Secretary of the Mongolian Local Autonomy Political Council, has telegraphed to the Central Government, reporting that recently a large number of Japanese visitors have entered the territory of Inner Mongolia and they have been observed studying the geographical conditions of the territory and taking pictures. The report further states that there have also been frequently military drills in the border regions of Inner Mongolia by the Japanese and "Manchukuo" troops.

The Charhar Provincial Government and the Mongolian Local Autonomy Political Council are reported to be jointly drafting a series of regulations restricting foreign entry to the territory of Inner Mongolia. The regulations provide that an official be appointed by the Charhar Provincial Government to be stationed at Pankiang to check the activities of foreign travellers. No foreigner will be allowed to enter Inner Mongolia unless he carries with him passports from the Ministry of Foreign Affairs, the Charhar Provincial Government and the Mongolian Political Council, the regulations stipulate. These regulations are considered necessary in view of the large number of Japanese now roving all over Inner Mongolia.

Interviewed by the press, General Yu Hsueh-chung, Chairman of the Hopei Provincial Government, denied the report that he would resign his post shortly. General Yu declared that recently he had been attacked by his political enemies, but he would carry on despite all opposition.

Instead of wrecking and holding up trains, bandits have recently boarded the south and north-bound trains on the Peiping-Mukden line and robbed passengers during the night. Many passengers have reported the loss of cash, clothes and other possessions. It is learned that during the last few weeks bandits disguised as passengers have boarded the trains at small stations and, after ransacking the baggage in the second and third class coaches, have decamped at the next stop. Special precautions are now being taken by the railway administration to prevent further depredations.

General Ho Ying-chin, Chairman of the Peiping Branch of the Military Affairs Commission, left Peiping for Hankow night Oct. 7 on the Peiping-Hankow night express to see General Chiang Kai-shek, President of the Military Affairs Commission; General Ho is to report on military affairs in the North. From Hankow, General Ho will proceed to the Capital. He expects to return to the North in the beginning of next month. During his absence, General Pao Wen-yueh, Director of the Administrative Office of the Branch Commission, will be in charge.

Martial law has been declared since Oct. 3 in the mining districts around Tangshan following a rumor that Manchukuo agents were plotting an uprising. Tao Shang-ming declared that Manchukuo agents were active in that region and were causing considerable trouble in the surrounding countryside. The order invoking martial law was given by General Yu Hsueh-chung.

A rich deposit of gold ore is reported to have been discovered in Changping, northern Hopei. With the sanction of the Hopei Provincial Government, a private company will shortly start mining operations in that district.

According to a telegram from Amoy, alluvial gold has been found on Suchi river, a stream in the district of Nan-an, south-eastern Fukien. Thousands of people are heading for the river.

According to Hsu Tung-fan, Special Administrator for the territory of Weihaiwei, a tentative arrangement has been made with the China National Aviation Corporation for the establishment of a branch station at Weihaiwei for the Shanghai-Peiping air mail and passenger service. The station will be opened as soon as the new airplanes, ordered by the Corporation, arrive from the United States.

Anchin Lama Returns to Tibet

The Anchin Lama, personal representative of the Panchen Lama, left Shanghai for Tibet by way of India on Oct. 9 aboard the Italian Liner "Conte Verde." He is proceeding to Lhassa to see the Tibetan authorities to perfect arrangements for the return of Panchen Lama to Tibet early next spring.

General Huang Mou-sung, Chinese envoy to Tibet, is expected to leave Lhassa some time before the end of this month, according to information from the Mongolian and Tibetan Affairs Commission. General Hung and his followers will return by way of India and are expected to arrive in Shanghai in December.

Oct. 10th Celebrated Quietly Throughout the Country

Oct. 10, the anniversary of the National Independence Day, was observed ceremoniously but quietly throughout the whole country. The Day was declared a National Holiday. Services in commemoration of the occasion were held by the various Government organs and public bodies. Speeches were made recalling the heroic deeds of the revolutionary martyrs whose Supreme Sacrifices had made possible the overthrow of the Manchus and establishment of the Republic. No official reception for foreign diplomatic representatives and no military review were held at the Capital.

Prior to the opening of the 5th National Congress of Kuomintang Delegates, the Central Party Headquarters will convene a plenary session of the Central Executtive and Supervisory Committees in the first week of November in order to prepare resolutions to be submitted to the National Congress. Notifications to this effect will soon be sent out to the various members of the two Committees. It is also learned that General Chiang Kai-shek, Chairman of the Military Affairs Commission, will come to the Capital to attend the Session.

In view of the decision of the Central Political Council to transfer the Ministry of Judicial Administration back to the control of the Judicial Yuan from the Executive Yuan, Dr. Lo Wen-kan, the incumbent Minister of Justice has

tendered his resignation. Dr. F. T. Cheng and Shih Chih-chuan, Vice-Ministers, have also resigned. Tan Chang, Vice-President of the Judicial Yuan; Hsieh Kuan-sheng, Secretary-General of the Judicial Yuan; Chang Chi-pen and Dr. John C. H. Wu of the Legislative Yuan are mentioned as possible successors to Dr. Lo.

It is reported in Shanghai that Yu Yu-jen, President of the Control Yuan, has tendered resignation to the Government, but no confirmation can be obtained from political circles in Nanking. Mr. Yu is now at Shanghai recuperating from his recent illness.

Reuter Agency claimed to have learned from reliable sources that General Huang Shao-hsiung, Minister of Interior, will shortly be given the task of assisting General Chiang Kai-shek in directing the operations against the Communists.

Ku Meng-yu, Minister of Railways, is understood to be negotiating with the China Development Finance Corporation for a loan of $16,000,000 for the completion of the Hangchow-Ningpo section of the Shanghai-Hangchow-Ningpo Railway. The terms of the loan are now under negotiation and as soon as they are agreed upon, the loan will be concluded immediately and preparations started for the completion of the Line.

Preparations having been perfected, construction work on the iron bridge across the Chientang River in Hangchow is expected to be started immediately, according to information from the engineering office of the bridge. Owing to the lack of funds, plans for the construction of another bridge over the Tsaoao River in Shaohsing have to be shelved for the time being.

Work on the erection of double tracks on the Shanghai-Nanhsiang section of the Nanking-Shanghai Railway in order to better regulate the congested traffic, was started Oct. 1 from the Markham Road Station, Shanghai, in accordance with plans of the Railway Administration. The entire section covers a distance of 17 kilometers and is to be completed within the current year.

Plans of the Nanking-Shanghai and Shanghai-Hangchow-Ningpo Railway Administration for construction of a branch line linking up Soochow and Kashing have been approved by the Ministry of Railways.

The total earnings of the Tientsin-Pukow Railway for the month of September amounted to over $2,100,000, marking a new record for the Railway. The figure includes $830,000 from passenger fares, $1,090,000 from freight and $180,000 from miscellaneous sources.

Plans for the construction of an iron bridge across the Yangtsze River between Hankow and Wuchang, in order to facilitate through traffic between the Canton-Hankow and Peiping-Hankow Railways, are being worked out under the direction of Hsia Kwang-yu, Counsellor of the Ministry of Railways.

The laying of rails on the Leihokow-Tsaichiayen section of the Canton-Hankow Railway in southern Hunan has been completed. A trial service on the section was operated on the 10th inst., National Independence Day.

In view of the paramount importance of railway communication for the development of the North-west, General Chu Shao-liang, Chairman of the Kansu Provincial Government and concurrently Director of the Lanchow Pacification Headquarters, is advocating the extension of the Lung-Hai Railway to Lanchow from Hsinping, the present western terminus of the line, west of Sian, provincial capital of Shensi. Plans have been drafted by General Chu and forwarded to Shao Li-tzu, Chairman of the Shensi Provincial Government.

Lienyunkang, the new port near Haichow in north-eastern Kiangsu, was opened to shipping October 7 when the steamer, "Hai Jui," of the China Merchants Steam Navigation Company, laden with 1,500 tons of cargo, berthed for the first time at the new wharf. Although the port has not yet been entirely completed, everything worked smoothly as faciltiees for berthing, unloading and transportation have already been installed.

Work on the installation of long-distance telephone service between Nanking and Hankow was started October 1. A large quantity of materials has been transported to Hankow.

A sum of $30,000 has been subscribed by the Nanking City Party Headquarters for the erection of a bronze statue of Dr. Sun Yat-sen, the late Party Leader. Work will be started soon.

A through omnibus service on the newly constructed section between Shanghai and Nanking of the Kiangsi-Hunan Inter-provincial Highway was started on October 10, National Independence Day.

A Preparatory Committee, which is to make plans for the establishment of the proposed paper mill at Wenchi, Chekiang, will shortly be organized by the Ministry of Industry.

The four new steamers built in England for the China Merchants Steam Navigation Company, which will be put on the China-South Sea islands service, are expected to arrive in Shanghai this month. The Hai Yuen is already en route to China and is scheduled to reach Shanghai on October 18, while the Hai Heng, Hai Li and Hai Cheng are due towards the end of the month.

More than 800 different illegal surtaxes formerly levied in various provinces and municipalities without the official sanction of the Central Government have been abolished during the last few months, according to information from the Ministry Finance. This marks a saving of some $30,000,000 for the 12 provinces of Kiangsu, Hupeh, Chekiang Shantung, Fukien, Hopei Hunan, Anhui, Honan, Ninghsia, Kansu and Charhar. In Chekiang province alone, more than 280 different illegal surtaxes have been cancelled.

Following the abolition of the exorbitant taxes and miscelleneous levies ordered by the Ministry of Finance, the Kiangsu Provincial Government is facing a shortage of administrative funds. In order to reduce expenses, the Authorities have ordered the various districts to enforce a strict retrenchment policy.

The appeal of the National Associated Chambers of Commerce and a number of local Chambers of Commerce throughout the country that current unused documentary stamps be exchanged for the new issue to be introduced on November 1, has been granted by the Ministry of Finance.

It is learnt that an American film company has completed the filming of a picture, 800 feet long, showing the bandit-suppression operations in Kiangsi, a copy of which will be presented to General Chiang Kai-shek, President of the Military Affairs Commission.

More than sixty gold, silver and jade articles were unearthed at Nanking September 30 by workmen who were laying new water-pipes on Kuofu Road near the Lang Hou Street intersection. The articles, which include rings, bracelets, ear rings and other odd jade ware, were believed to have been hidden by some wealthy resident of Nanking during the Taiping Rebellion.

A bronze statue of the late Dr. Wu Ting-fang, the famous statesman and a close associate of Dr. Sun Yat-sen, was formally unveiled at Canton on October 10, National Independence Day.

Tong Shao-yi, Magistrate of the model district of Chungshan, has arrived at Macao after a narrow escape from the mutineers in his district. All other administrative heads in Chungshan have been compelled to leave by the mutineers, who are now in full control of the situation. The City Assembly of Chungshan has decided to run the administration themselves by electing a new magistrate in the place of Tong Shao-yi, whom they regard as unsuitable for the post. The Kwangtung Provincial Government has sent a representative to Chungshan to make investigations into the incident and a regiment of provincial troops has been sent to supervise the movements of the mutineers.

The International Savings Society at Changsha is being embarrassed by bond holders asking for refund. Bond holders of the Society, following a decision adopted by the National Financial Conference in Nanking sometime ago, have united themselves and collectively discontinued the payment of premia due. They have also made a list of the premia already paid by each of them and asked that the affairs of the Society be ordered to wind up as soon as possible.

Five Chinese found guilty of smuggling and selling opium, morphine and other narcotics in Hankow were executed by a firing-squad from the local military headquarters October 3.

Gold dust of medium thickness is reported have been discovered in large quantities along the banks of a small stream in Man-an district, some 10 miles west of Chuenchow, Fukien. The gold dust area is estimated at about one mile square. Chuenchow is about 40 miles south-east of Amoy.

Furore Over Japanese Army's Appeal to the People

A furore has been caused in Japan by the action of the Tokyo War Office in distributing 160,000 copies of a pamphlet treating of Japan's national policy centering around national defence. The War Office says its action was taken with a desire to enable the nation to grasp the full significance of the national crisis confronting Japan in 1935-36. The pamphlet covers a wide scope and expresses a desire to alter the existing economic structure in order to stabilize the living of the nation and to solve the farm distress problem. Political leaders generally have voiced amazement at the War Office's action. The following account is from "The Japan Advertiser."

LEADERS of both major political parties have been maintaining a studied silence on an unexpected appeal to the public made in the name of the Japanese army, to support the army's national policies and particularly its policy of national defence. The appeal, issued in the name of the publicity section of the War Ministry, was made directly to the people of the nation—an action believed without precedent in modern Japan and one that is likely to stir up all sorts of replies and counter-appeals. It was issued in the form of a 50-page pamphlet entitled "Fundamental Principles of National Defence and a Plea for Its Intensification," 160,000 copies of which, it was announced, were run off for national distribution.

Issuance of such a pamphlet in the name of the military authorities caused surprise in all quarters. Members of the two services being enjoined by Imperial Rescript not to participate in politics, and the fact that the pamphlet offers an apologia for the "necessity of military men talking politics," caused doubt in some quarters that the appeal had been issued with the foreknowledge and approval of War Minister Senjuro Hayashi.

Trouble Is Foreseen

It was generally agreed, according to the Japanese press, that the pamphlet is more than likely to have all manner of results. Plenty of trouble was predicted for General Hayashi when the Diet is convoked, in the form of volley after volley of interpellation from all quarters. The *Nichi Nichi* expressed the opinion that the affair might develop into a major political issue.

Opinion was also expressed that the brochure might have repercussions in the realm of foreign relations. In taking up the necessity for increasing national defences and in discussing the so-called crisis of 1935 and 1936 which some profess to foresee, the pamphlet by inference asserts that Japan is threatened by foreign countries, specifically the U.S.S.R. and the United States.

While the political party leaders were silently studying the pamphlet, presumably with the intention of having plenty to say about it later on, Upper House circles were by no means pleased with it. The *Nichi Nichi* said that several influential members of the House of Peers whose names, however, were not given, expressed the opinion that the pamphlet seemed to have as its guiding spirit the spirit of national socialism. "There is still room for study as to whether national socialism is suitable to this country," one Upper House Member wae quoted as saying. "It is easy to understand that the army wishes to make living conditions of the farming and fishing populations less onerous, but their manner of announcing their views would seem in this instance to be rather reckless. The pamphlet's effect on foreign relations, also, will certainly not be good."

Another member of the House of Peers was quoted as saying he could not understand why the army pamphlet failed to point out the necessity of purifying the political parties. He, too, could not see why the army had announced its views in such a manner.

Consists of Five Sections

The pamphlet is divided into five sections, these being captioned System of National Defence; National Defence and Domestic Problems; National Defence and Thought; National Defence and Military Power; and National Defence and Economics. Despite its length it says little that is specific, being devoted in the main to generalities and being couched in more-or-less vague language.

After defining national defence, the pamphlet in its second chapter, dealing with the relation of national defence to domestic problems, dwells largely on the living conditions of the people and the need for easing the burden of the farming and fishing communities. It asserts that only a limited portion of the people are enjoying economic benefits in any measure, and that a still smaller number enjoys incomes of sufficient size to make life easy for them. The majority of the people suffer hardship which, says the pamphlet, tends to breed friction between classess. It concludes from this that the most important question of the moment is to relieve distress in the farming and fishing villages.

Attempting to analyze the reason for this distress, the pamphlet lists the following as the chief causes:

1. Prices of agricultural products that are unfair to the producers, and the instability of those prices. Faulty distribution of products. 3. Inefficient management of agriculture enterprises and inefficiency in the system intended to absorb surplus labor. 4. Relations between tenant farmers and their landlords. 5. Unreasonably high taxes on the farmers, and the accumulation of farmers' debts. 6. The high price of fertilizers. 7. Defects in the financial facilities provided for farming communities. 8. The slump in cocoon and raw silk prices. 9. Natural calamities such as drought, floods, wind, snow and insects. 10. The attitude of despising the farmer. 11. A population out of proportion to the amount of tillable land.

To relieve the distressed farming communities, the pamphtle suggests that reform of the economic system is essential, this reform to be based on "the co-existence and co-prosperity of the population in towns, cities and villages," and at the same time provide some solution to the surplus population problem. But the farming and fishing populations cannot be expected to remain idle while others work out their salvation; they must exert their own efforts to better their lot.

Facilities should be provided, the military authorities think, to control scientific research organizations in order that efficiency may be enhanced and waste expenditure reduced to the minimum. A reform of the patent system in order to open the way to cheaper production of fertilizers, and provision of funds to encourage inventions in the economic field, are specifically suggested.

In taking up national defence and its relation to public thought the pamphlet asserts that healthy thought is cultivated only through "healthy spirit and sound bodily health." While the trend of thought is largely moulded and directed through the educational system, it is contended that to attain a healthy status of public thought it is also necessary that "the defects of society be reformed" and that the economic system be readjusted that the living conditions of the people may be improved and the wealth of the people be increased.

Turning to the question of the nation's culture, the pamphlet in brief asserts that a "noble spirit of self-denial" should be cultivated for the nation and people as a whole; that Japan's international position should be made clear to the people; that the culture of the Japanese race should be enhanced and the people taught "not to swallow Western culture in its entirety;" that more importance should be placed upon the practical side of education of the nation's youth; and that efforts should be made to improve the physical health of the people.

Military Strength

Under the heading of national defence and military power the pamphlet asserts that, since the Manchurian incident, the Empire's first line of defence has been increased three times and that the area in which order must be preserved has been increased in the same ratio. Therefore, from the standpoint of national defence, the present military preparations must be regarded as inadequate, it is asserted. The military authorities refer to the five-year plan of the U.S.S.R. and assert that the Soviet is undertaking "the most extensive military preparations in all the world, and especially is completing additional armament in the Far East." For these reasons, the pamphlet continues, disputes are constantly occurring at the frontier between Manchukuo and Russia, and while the disputes are increasing the Soviets "have been adopting a challenging attitude."

The U.S.S.R., continues the announcement, has a total of 3,000 war planes; America has 3,000 and China 500. Japan "is thus enveloped with a total aerial strength of more than 6,000 aerial craft." When the aerial strength of even one of these hypothetical enemies is considered, the army statement adds, Japan is faced by a strength of 3,000 planes. But the air force of this country musters barely 1,000 craft.

Turning to existing economic condition and the necessity of improving them through readjustment of the present economic machinery, the pamphlet suggests the following points:

1. That the ideal in founding a nation should be based upon an economic spirit of patriotism and have as its goal the development of that nation and development of the prosperity of the people.
2. That the liviug conditions of the masses should be stabilized by provision of opportunity for all to earn a living.
3. That reform in the management of industries and the financial system must be effected so that industries may be thoroughly equipped and prepared for any emergency, so that trade may by stimulated, so that promotion of industrial production and exploitation of sources of capital may be effectively carried out.
4. That enterprises by individuals be encouraged provided that these individual enterprises do not conflict with national interests.
5. That the tax system be readjusted in order that the burden may be more fairly distributed.

The Drought in Kiangsu, Chekiang, and Anhwei

BY C. Y. W. MENG (孟 昭 泳)

IN 1931, China faced an unprecedented flood which had devastated the whole Yangtsze Valley, and had extended from the sea coast in North Kiangsu Province through the Grand Canal-Hwai River country to Chinkiang, thence up the Yangtsze Valley past the populous cities, such as Nanking, Wuhu, Anking, Kuikiang, Hankow; and then had further extended to Tungting Lake in Hunan, and Poyang Lake in Kiukiang, the total area of Yangtsze River watershed being estimated at 756,500 square miles. The flood of 1931 was the most disasterous in Chinese history. When China's flood of 1931 is compared with the Mississipi Flood of 1927, the former was about twice the size of the latter, while the number of people directly affected and the loss of life in China was greater. The "Great Flood" of 1931 in China aggravated the famine situation—already serious enough in the country, affecting no less than 43,000,000 people,—and constitutes probably the greatest natural calamity ever recorded.

In 1932, China faced an unprecedented foreign aggression—that is the loss of four of her big provinces in rapid succession to the Japanese invaders and militarists!

In 1934, China faced an unprecedented drought which devastated, according to the report at hand, no less than 14 out of 18 provinces!

China, a Land of Famine Drought, Locusts, Hailstones and of Misery!

According to the investigation conducted by the National Government, this summer alone, 14 provinces and 343 hsiens were affected by Drought; 13 by flood; 8 provinces, 68 hsiens by locusts; 12 provinces and 89 hsiens by hailstone. (See *Shun Pao*, August 21, 1934.) The total loss is estimated to be above $100,000,000.

These natural calamities, together with the foreign aggression, which has by no mean ceased, has made China, a Land, indeed, of "misery"! We, the Chinese, are, indeed, the most "miserable" people in the world!

China, a Land of Suicide

Under such circumstances, there is no wonder that the number of "wholesale" "suicides" has increased by leaps and bounds. In Peng Yang Hsien (漷陽縣), a family of 8 persons, having no way to raise some money, committed suicide by taking poison. In Cheng Shen Hsien (常山縣), a family of 15 persons, realizing that there was no hope for the Autumn harvest due to the drought, and no way to pay off the debts, seven of them died by eating poisonous snakes. In Chen Shing Hsien (長興縣), a family of seven persons realizing the same fate for the autumn harvest, ended their lives by taking permanganate. We could record many similar events which took place this summer, had not our heart already been shocked by recording these three occurences!

In every big city, we further witness strings of farming "refugees" from the country districts. On August 24—one day, alone, no less then 1,000 refugees were rushed to the Capital. The robbrng of rice shops—a sign of nation-wide famine and economic crisis in China—has been increased by leaps and bounds everywhere.

Such is the plight of the Chinese farmers who constitute 80% of the Chinese total population—indeed, the backbone of China today! Here is the pressing problem which the National Government must tackle with full efforts and vigor and must solve in one way or the other. Here is the cause of all communist-bandit trouble. Here is the root of the trouble which must be first removed, if the so-called "Communist-bandit campaign" is to be brought to an early conclusion. "We do not go over to the communist camp, just simply because we can draw high salaries from the Government, and we live in the cities which enable us to enjoy every facility of the civilization. If we were farmers, we would also join the communists." Such is the general opinion of most observers of events today, if one has made a close study and is bold enough to express the situation.

Kiangsu, Chekiang an Anhwei, the Worst Sufferers of Drought

Kiangsu, Chekiang and Anhwei, the three central provinces, are the richest provinces in China where facilities are said to be better developed; and they are generally known as the "Paradise" of China. Yet, from our investigation, we find that these provinces are the worst sufferers of the drought of 1934, as the following two tables will show:

AREAS AFFECTED, AND AMOUNT AND VALUE OF CROPS DAMAGED BY DROUGHT

(*Unit: Area, 1,000 Shi Mow; Amount, 1,000 Shi picul; and Value, 1,000 Chinese Dollars.*)

Provinces		*Kiangsu*	*Chekiang*	*Anhwei*	*Total*
Area Affected		49,455	21,790	37,027	108,272
% of Affected Area to the Total Cultivated areas		54	53	69	
Rice	Amount	41,230	34,862	33,741	109,833
	Value	130,530	110,373	106,829	347,732
Kaoliang	Amount	2,383	93	3,770	6,246
	Value	5,531	218	8,759	14,508
Corn	Amount	2,869	576	949	4,394
	Value	7,589	1,527	2,509	11,625
Millet	Amount	436	145	199	780
	Value	2,241	746	1,020	4,007
Lint cotton	Amount	1,232	760	751	2,743
	Value	40,981	25,300	25,020	91,301
Soybean	Amount	7,687	2,089	4,828	14,604
	Value	31,668	8,543	19,750	59,752

A COMPARISON BETWEEN THE PERCENTAGE OF LOSS AND THE PROBABLE PRODUCTION ESTIMATED FROM AVERAGE YEAR'S YIELD

Provinces		*Kiangsu*	*Chekiang*	*Anhwei*	*Total*
Rice	Probable production	86,378	96,733	54,823	237,934
	Percentage of Loss	48	36	62	46
Kaoliang	Probable production	10,197	257	7,730	18,184
	Percentage of Loss	23	36	49	34
Corn	Probable production	8,357	1,645	2,202	12,204
	Percentage of Loss	34	35	43	36
Millet	Probable production	3,668	628	1,103	5,399
	Percentage of Loss	12	23	18	14
Lint cotton	Probable production	3,696	1,054	843	5,593
	Percentage of Loss	33	72	89	49
Soybeans	Probable production	20,822	5,325	13,170	39,317
	Percentage of Loss	37	39	37	37

In obtaining the amount of land affected by drought, the calculations were based on the reported percentage of land affected and the total area of cultivated land in each hsien.

The amount of loss in rice, kaoliang, corn, millet, cotton and soybean crops was calculated from the percentage of land affected in relation to the reported crop acreage for the current year together with the reported percentage of damage to the expected yield in comparison with the normal yield.

In obtaining the value of the loss in the rice, kaoliang, corn, cotton and soybean crops, prices were quoted from "Wholesale Prices in Shanghai for September, 1932. (See the "Shanghai Market Prices Report" of the National Tariff Commission for July-September, 1933. p. 80.)

The price of millet was quoted from "Wholesale Prices in North China," for September, 1933 (See: Nankai Quarterly Journal of Economics and Statistics, Vol. 2, No. 4. p. 1195.)

The probable crop production was calculated from the estimated crop acreage reported for this year and the average year's yield per mow (by province) based on "An Estimate of China's Farms and Corps" (by C. C. Chang).

According to the first table above it will be seen that the value of the total loss among the various crops in the three provinces reported now are listed as follows; Rice, 348 million dollars; Cotton, 90 million dollars; soybean, 60 million dollars; Kaoliang, 14.5 million dollars; Corn, 10 million dollars; and millet, 4 million dollars. Again, if we consider the value of the loss by province, Kiangsu has the highest loss, being 218 million dollars; Anhwei the next, 164 million dollars, and Chekiang the lowest, 146.7 million dollars.

According to the second table above, it will be seen that the percentage of damage to the crop production as a result of drought (according to the average year's yields) in the three provinces reported is as follows: Cotton, 49%; Rice, 46%; Soybeans, corn, and kaoliang, 36%; and millet 14%. As to the individual province, the cotton and rice crops in Anhwei, the cotton, rice and soybean crops in Chekiang, and the rice and soybean crops in Kiangsu all are considerably damaged.

Nanking, Oct. 7, 1934.

Granted That the Sale of the C.E.R. Is Effected, What Then?

BY C. Y. HSIEH (謝志耘)

AFTER another round of recriminations and threatening gestures, Japan and the Soviet Union, each unbeatable in its own way, seem to have accepted a postponement of their day of reckoning. Reports emanating from Tokyo on September 25 stated that the U.S.S.R. had agreed to dispose of the Chinese Eastern Railway for Yen 140,000,000, plus an extra payment of Yen 30,000,000 to cover "dismissal allowances" to the Soviet employees on the line. They went on to say that following this favorable change of the Soviets' attitude, negotiations for the transfer of the railway may shortly be resumed. They further predicted that with the principle of the case now settled, and only matters of detail remaining to be adjusted, the sale agreement will be ready for signature by the end of October.

If Tokyo appeared a little too optimistic, she was not without a reason. All along let us ignore the repeated bickerings and bluffs—the sale negotiations have proceeded on the line of accommodation. When Soviet-Japanese relations became strained to the breaking point a year and a half ago, Moscow came forward with the offer to sell the C.E.R., hoping thereby to relieve tension. The transfer conference was then convened in Tokyo, in which the Soviets at first asked for a price of Gold Roubles 250,000,000 (then equivalent to Yen 625,000,000), but the Japanese counter-offered Yen 600,000,000. Later on the Soviet offer was far too high for the Japanese. During the subsequent six months the matter had evidently been dropped. In February of this year Moscow lowered the price to Yen 200,000,000 which Tokyo countered with Yen 100,000,000. Deadlock again ensued after which the Soviets climbed down first to Yen 170,000,000 and then to Yen 160,000,000. But the Japanese refused to go beyond Yen 120,000,000 and there the matter lay. So there was a net difference of only Yen 40,000,000—a difference which was not considered serious enough to wreck the transfer conference if no other complications set in. Latest developments have justified this assumption.

Details Not So Simple

While a successful issue of the C. E. R. sale negotiations is now more probable than ever before, it cannot come as early as the inspired Japanese reports would have us believe it could. The matters of detail are by no means very simple, and every one of them—be it the mode of payment of the Soviet employees, etc.—may still cause insuperable difficulties. Moreover, there is no doubt that the Soviets have adopted a policy of procrastination. For obvious reasons they have regarded the C. E. R. as their first line of defense from which they would not fall back unless they have to. But the removal from the political scene of this railway, which, though of Soviet ownership and management, still lies in Manchuria, will shift the horizon of Soviet-Japanese relations from somebody else's ground to the very eastern door of the Soviet Union. Such an eventuality is, of course, not to the advantage of the Soviets and will be shunned by them as long as possible. That is why Moscow was not very enthusiastic over the new turn of events and not too sanguine about ultimate results, as dispatches from that city revealed.

On the other hand, Japanese optimism knew no bounds. In connection with the hopeful prospect of the sale negotiations, a spokesman of the Tokyo Foreign Office was quoted as saying that the question of de facto or de jure recognition of "Manchukuo" will be raised if the Soviets sell the C. E. R. to that state. To our mind the two questions are not necessarily bound up together, and the success or failure of the negotiations has nothing to do with recognition. Our reasons are as follows:

In the first place, the Soviet Union has never regarded anybody but Japan as the buyer in the negotiations. For though it was nominally dealing with "Manchukuo," it had no illusion as to the reality of this so-called independent state. Months ago, in matter of protests against outrages, the Soviet authorities did not hesitate to take Japan to task for actions allegedly perpetrated by "Manchukuo" agents, because they were honest enough to call a spade a spade. If there was still any doubt on this score, it should have been dispelled by a *Rengo* telegram from Tokyo dated September 24, to the effect that the Soviet Ambassador in Tokyo communicated the revised proposals of the Moscow Government to Mr. Hirota, Japanese Foreign Minister, and that it was Mr. Hirota who accepted these proposals.

Secondly, the sale price of the railway was fixed in the Japanese currency—Yen. In this medium, therefore, it will be paid and, if we press the matter a little further, we cannot mistake as to who is actually to pay it. No doubt the money will be placed by the right palm on the left or vice versa before it is handed to the seller, but all the camouflage is immaterial so long as we know from whose purse it comes.

Some people, however, pretended to see recognition in the present as in the preceding case of the so-called Soviet-"Manchukuo" waterways agreement. To their view we cannot subscribe ourselves. The said agreement belongs to the same category as the Mukden-Soviet agreement concluded between Marshall Chang Tsa-lin and the Soviet authorities in 1924. Inasmuch as the latter agreement has never been, and cannot be, construed as constituting Soviet recognition of the independence of Marshall Chang, neither can the conclusion of the Soviet-"Manchukuo" waterways pact be regarded as Soviet recognition of the puppet State.

The Question of Recognition

If we come to think of the aim of Soviets' diplomatic activities, we are all the more convinced that they are not likely to commit themselves on the issue of recognition. Mr. Litvinoff had indeed made the reservation in the League Assembly that the Soviet Union would not be bound by the League's resolutions taken before her admission into that body. But it is highly problematical if his Government would avail of this reserved right at once in the matter of the "Manchukuo" recognition. There is no denying that reservation or no reservation, recognition of "Manchukuo" would greatly compromise the position of the Soviets in the eyes of the world. It is thus decidedly against their policy of gaining the good opinion of all and sundry in their future struggle against the Japanese. And since the latter have not made recognition a sine qua non of the settlement of the C.E.R. issue, the Soviets certainly will not make the Japanese a favor for which foresight has told them that no gratitude can be in store, but which if made will give the Japanese a legal cudgel to break up the world-wide alignment against aggression.

It is significant to note, by the way, that next to Tokyo, London is the most fertile source from which predictions of Soviet recognition of "Manchukuo" have emanated. The British press has taken a keen interest in the new developments which it interpreted to be the "prelude to Soviet recognition." It has also freely forecast the conclusion of outstanding issues, and a general improvement in the relations between Japan and the Soviet Union. While its sentiments are apparently pacifist, there is behind them—and especially in regard to the forecast of recognition—an element of naivete and mischief. They give us the impression that someone is ready to applaud the demolition of the bulwark against treaty violation and all that it stands for. They reveal the poverty of statesmanship laboring under strong desire to hobnob with the aggressor, yet having insufficient courage to embark on the forbidden path. So the slightest semblance of a precedent is seized, worked and magnified to serve the purpose at hand. Such is the stuff of one of the main pillars of the Geneva edifice!

Granted that the sale of the C.E.R. is effected, the question naturally arises, Will it bring durable peace to the Far East? The answer, as far as we see it, lies with Japan and especially with the Imperial Japanese Army. The Soviets have consistently and frankly admitted that they need peace at all costs provided their national existence is not menaced and their territory not invaded. The frantic military preparations they have made were made for no other reason than that this legitimate and irreducible aspiration of theirs has not been satisfied. They have looked to Tokyo to get assured, but the latter, alas, has been anything but assurance.

The tragedy of the situation is that in spite of her apparently indisputable claim to united and centralized statehood, Japan's diplomacy is still beset with cross-purposes. Wily Mr. Hirota is for a policy of "victory without war", and he has demonstrated what he meant by this formula. If he may have his own way, the Far Eastern outlook will not be entirely devoid of its silver lining of hope.

But the Army has held its own counsel to this very day. It willed that so far as "Manchukuo" is concerned, it has been and will be supreme. The recent reorganization of Japanese organs in Manchuria was a test of strength between the Army and the Foreign Office, the result of which is too well known to

need repetition. Suffice it to say that Mr. Hirota bowed to the inevitable as gracefully as any of his predecessors could, and that the Army, with all the strings that civilian control sought to tie to it as an after-thought, will continue to have the final say in "Manchukuoan" affairs. And what is the Army's view of Soviet-Japanese relations? It is that the security of Japan's position in Manchuria is premised on the withdrawal of the Soviets to west of the Lake Baikal region, and that the sooner Japan strikes, the more sure she is to win the war.

Such being the case, the Soviet-Japanese tension in the Far East will gain no material relief from a sale which must be transacted sooner or later, in the manner it is now likely to be put through. As a matter of fact, the whole frontier between these two countries—from the Soviets' Maritime Province to Mongolia—has bristled with dangers of conflict. The following reports, picked out at random from news contemporaneous with the Soviet consent to part with the C.E.R., will serve to show that quite aside from and independent of the railway issue, many serious conditions have existed between the Soviet Union and Japan, each of which may furnish a casus belli:

...According to the Kokumin, a cable received in a certain quarter in Tokyo from Vladivostok said that the *Soviets have been pushing ahead with the building of 4 new submarines.* 26 war vessels, of which 4 are not commissioned, are maneuvering off Vladivostok, their base. With the completion of the new submarines, there will be *30 vessels of the Soviet navy not far from Japan.*

Preparations for Eventualities

Tracing the Soviet-"Manchukuo" frontier from Vladivostok along the northwestern direction, we find that preparations for eventualities are no less in evidence on both sides. This is what an eyewitness had to say of the situation:

...As for the defense measures taken by the Soviet Government along the "Manchukuo" border, the Soviet fortresse, found there are called "torchika," which is Russian for points and they stand isolated, as the name signifies, at all important points along the Amur and Ussuri rivers and elsewhere...Across the river from Tunfining (Sanchakou), the fortresses are only about 100 feet from "Manchukuo" territory, toward which their guns are pointed...

...As there are many reasons for believing that the Soviet authorities do not aim at aggression against "Manchukuo," we shall have to eliminate the offensive factor from the Soviet objectives. *So ostentatious are the defense measures, however, that "Manchukuo" may find it necessary to take similar steps and it is greatly to be feared that the outcome will be a race between the U.S.S.R. and "Manchukuo" for fortification of both sides of the Amur and Ussuri rivers.*

From Manchuli, the western vantage point of "Manchukuo" on the Soviet frontier, Tass reported another of those very characteristic aerial incidents:

. . . At 2 o'clock in the morning of the 26th of September a *Soviet plane* while *performing night training flight* in the Dauria-Matsievskaya district of the Transbaikal Railway lost orientation, crossed the border line and was compelled to make a forced landing on the Manchurian territory near Manchuli. . . .

Submarines, fortifications, airplanes—all within striking distance on both sides!

Last but not least came a brief yet highly significant *Tass* report almost at the same time as news of the agreement on the C.E.R. sale price. This dwelt on Moscow's extreme uneasiness and concern over Japan's renewed thrust at Inner Mongolia. The thrust also formed the subject of a sharp attack against Japan by an editorial of the *Pravda* which appeared on October 2—an additional indication as to where the sore spot now lies.

And well might the Soviets feel alarmed. For, so far as military strategy is concerned, it is no longer Manchuria, but Mongolia, which holds the key to the Far Eastern situation now that the Japanese have completely unfolded their real intentions and designs on the continent. The Far Eastern crisis has entered a new phase which in a way is the only logical consequence of Japan's initial move. Precipitated in Manchuria for the bid of supremacy in Eastern Asia, it will have to be solved in the region running from Lake Baikal to Mongolia. In such a recast scene of struggle the C.E.R. has at best a subsidiary role to play. Whatever might have been its military, economic or political value in the past, it is to-day of secondary importance. Its loss to the U. S. S. R. would not necessarily mean the liquidation of Soviet influence in the Far East. The sale negotiations represent nothing more than a tactical move on the part of the Soviets to gain time for a decisive combat, compared with which the Russo-Japanese War of 1904-05 must needs be a mere prelude. The success or failure of such negotiations, therefore, does not alter the fundamentals of a critical situation. If it does matter at all, it is that success may, by hastening the contestants to the issue of issues—*i.e.*, the overlordship of Eastern Asia—push the perennial Soviet-Japanese struggle one step nearer its denouement.

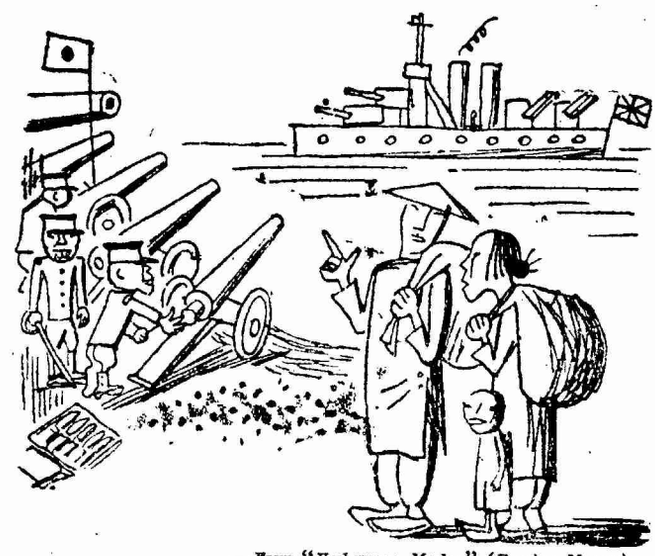
Peiping, October 3, 1934.

"Nippon as Watch-Dog, Preserving Peace in a Polyglot, Complex, and Disorganized China"

An article with the above sub-heading appeared in the Sept. 8 issue of the *Literary Digest*, from which the following are extracts. The questions (in italics) were put by Edward Price Bell, a journalist in Japan. The answers were those of Eiji Amau, Director of Information of the Japanese Foreign office, Tokyo.

"*Has Japan been too easy rather than too hard on China?*"

"Very probably so. Sterner Japanese policy might have been highly beneficial to everybody, by no means excluding the Chinese themselves. Nevertheless, we retain our patience and still have hopes of China's ultimate salvation."



—*From "Vechernaya Moskva" (Evening Moscow)*

In the original caption, the Chinese peasant was represented as saying to his helpmeet: "They are always 'for' us—through fire and water."

"*What has Japanese power meant to China?*"

"Succor. All intelligent Chinese know and frankly admit that their country would have been partitioned away decades ago had not Japan stood by like a watch-dog. Distances and proximities are conclusive factors in international relations. We must be constantly concerned about China. Shocks there are shocks to us overnight. A great fire there would set our own house alight. For Europe or America, the Chinese question is a question of prosperity or adversity; for Japan it is a question of life or death. In a grave crisis we should not be able to delay. We should be compelled to act instantly and if necessary, on our own responsibility."

Dr. Sze Replies to Japanese Pretensions, in "Liberty" Magazine

Do Sao-ke Alfred Sze, Chinese Minister to Washington, has contributed to the Aug. 11 issue of *Liberty Magazine* an authoritative reply to the claims of Japan as presented by Yosuke Mutsuoke and others. In the course of his article, which is entitled, "China Talks Back," Dr. Sze says:—"The American people well know that when Japan asserts that it is her right and duty to maintain peace in the Far East she means that she intends to regard as the threat to that peace any obstacle placed by any other power in the way of the realization of Japan's unbounded imperialistic ambitions and that thus, under a claim of maintaining the peace, Japan is demanding that without reference to whatever solemn and freely entered into international engagements she may have made, she shall work her will throughout eastern Asia."

Press Censorship to Be Applied to Advertisements in Chinese Newspapers

The censorship of the press is to extend from the news pages to the advertisement columns of the Chinese vernacular dailies, according to an order issued by the Bureau of Social Affairs of the Municipality of Greater Shanghai last week. The Social Affairs Bureau, in its order, urged all Chinese dailies in Shanghai first to submit any advertisements of a suspicious character to the bureau for examination and approval before publication. This action, it is pointed out, is intended to insure the interests of the public from unscrupulous persons who resort to the advertisement columns of local newspapers. The order is also based on moral motives as, it is explained, many advertisements for indecent books and pictures have been found in the "ad" columns of newspapers.

CHINESE RAILWAYS

SHANGHAI-PEIPING THROUGH EXPRESS.
(Connected with N.S.L. Nos. 301 & 302)

TIME ARR.	TIME DEPT.	STATIONS	TIME ARR.	TIME DEPT.
20.45	21.25	PUKOW	1.20	1.40
16.54	16.57	LINHUAIKWAN	5.40	5.43
16.04	16.19	PENGPU	6.19	6.34
13.52	13.57	NANHSUCHOW	8.45	8.50
11.50	12.05	HSUCHOWFU	10.50	11.10
10.02	10.17	LINCHENG	13.00	13.15
9.13	9.16	TENGHSIEN	14.06	14.09
7.40	7.55	YENCHOWFU	15.36	15.56
7.15	7.18	CHUFOU	16.21	16.24
5.34	5.42	TAIANFU	18.05	18.20
3.25	3.45	TSINANFU	20.12	20.42
2.03	2.13	YUCHENGHSIEN	22.05	22.15
0.24	0.39	TECHOW	23.55	0.25
22.37	22.47	POTOUCHEN	2.12	2.22
21.36	21.46	TSANCHOW	3.16	3.29
18.30	18.40	TIENTSIN (C)	6.40	7.00
17.59	18.20	TIENTSIN (E)	7.10	7.35
—	15.05	PEIPING	10.29	—

PEIPING-HANKOW RAILWAY.

14.05	PEIPING	22.00
13.27	CHANGSINTIEN	22.48
9.54	PAOTUNG	2.23
5.50	SHIHCHIACHWANG	6.28
2.19	SHUNTEH	10.01
19.27	SINSIANG	16.45
16.43	CHENGCHOW	19.26
13.59	HSUCHOW	22.08
12.16	YENCHENG	23.51
9.58	CHUMATIEN	2.34
6.10	SINYANG	6.01
3.36	KWANGSHUI	8.36
22.45	KIANG AN	13.15
22.30	HANKOW (Tachimen)	13.25

PEIPING-SUIYUAN RAILWAY.

TIME ARR.	TIME DEPT.	STATIONS	TIME ARR.	TIME DEPT.
9.36	—	HSICHIMEN	—	16.48
8.06	8.16	NANKOW	18.07	18.17
—	—	CHINGLUNG-CHIAO	—	—
1.52	2.07	KALGAN	0.30	0.45
19.34	19.49	TATUNG	7.01	7.21
15.48	16.03	PINGTICHUEN	11.04	11.19
10.56	11.16	SUIYUAN	15.42	16.02
—	7.00	PAOTAO	19.58	—

LUNGHAI RAILWAY.

5.15	—	HSUCHOWFU	—	21.10
0.57	1.17	SHANKIUHSIEN	1.16	1.56
20.47	21.07	KAIFENG	6.20	7.00
18.40	19.00	CHENGCHOW	8.49	9.09
14.45	15.10	LOYANG E.	12.53	13.23
9.30	9.55	SHANCHOW	18.30	18.55
—	6.10	TUNGKWAN	22.15	—

KIAOTSI RAILWAY.

7.35	—	TSINGTAO	—	21.00
5.48	5.50	KIAOCHOW	22.46	22.48
5.06	5.16	KAOMI	23.19	23.30
3.26	3.41	FENGTZU	1.01	1.16
3.03	3.05	WEIHSIEN	1.36	1.39
1.36	1.38	TSINGCHOW	2.55	2.57
28.59	0.01	CHOUTSUN	4.32	4.35
—	22.00	TSINANFU	6.30	—

CHENGTAI RAILWAY.

19.42	—	SHIHCHIACHWANG	—	7.58
18.14	18.16	TSINGCHINGHSIEN	9.27	9.29
16.00	16.15	YANGCHUAN	11.47	12.01
14.48	14.50	SHOUYANGHSIEN	13.50	13.52
12.40	12.49	YUCHIHSIEN	15.25	15.35
—	12.08	TAIYUANFU	16.07	—

SHANGHAI-HANGCHOW-NINGPO RAILWAY.

STATIONS UP.		Zku-Nkg Express R. Through	Express R.	STATIONS DOWN.		Express R.	Nkg-Zku Through Express R.
ZAHKOU	d.	7.45	17.30	SHANGHAI, N.	d.	7.50	15.00
HANGCHOW	d.	8.15	17.55	JESSFIELD	d.	8.07	15.17
CHANGAN	d.	9.06	18.53	SICCAWEI	d.	—	—
YEHZAH	d.	—	19.25	SHANGHAI, S.	d.	7.55	—
KASHING	d.	10.17	20.05	SUNGKIANG	d.	9.05	16.05
KASHAI	d.	—	20.31	FUNGCHING	d.	—	—
FUNGCHING	d.	—	—	KASHAI	d.	9.51	—
SUNGKIANG	d.	11.25	21.20	KASHING	d.	10.25	17.20
SHANGHAI, S.	a.	—	22.25	YEHZAH	d.	11.01	—
SICCAWEI	d.	—	—	CHANGAN	d.	11.34	18.25
JESSFIELD	d.	12.11	22.16	HANGCHOW	d.	12.31	19.20
SHANGHAI, N.	a.	12.25	22.30	ZAHKOU	a.	12.50	19.35

NANKING-SHANGHAI LINE.

STATIONS UP		Express R.	Thro. Exp. Zku-Nkg R.	S'hai-Peiping Thro. Exp. (No. 302) R.S.	Night Express R. S.	STATIONS DOWN		Thro. Exp. R. Nkg-Zku	Express R.	Night Express R. S.	Peiping-S'hai Thro. Exp. (No. 301) R.S.
SHANGHAI, N.	d.	8.00	13.00	16.05	23.00	NANKING	d.	8.00	17.00	23.00	24.00
NANSIANG	d.	—	—	—	23.33	CHINKIANG	d.	9.25	18.25	1.00	1.54
KUNSHAN	d.	9.05	14.15	—	—	TANYANG	d.	10.07	19.05	1.52	2.43
SOOCHOW	d.	9.50	15.00	18.04	1.13	CHANGCHOW	d.	11.01	20.00	3.05	3.51
WUSIH	d.	10.41	15.51	18.55	2.13	WUSIH	d.	11.52	20.55	4.07	4.48
CHANGCHOW	d.	11.45	16.45	19.53	3.13	SOOCHOW	d.	12.47	21.50	5.13	5.52
TANYANG	d.	12.33	17.36	20.48	4.23	KUNSHAN	d.	13.26	—	—	—
CHINKIANG	d.	13.16	18.20	21.34	5.14	NANSIANG	d.	—	—	6.54	—
NANKING	a.	14.30	19.35	22.55	7.00	SHANGHAI, N.	a.	14.25	23.30	7.20	7.55

NOTICE

1. Children under four years of age are carried free, children under twelve but above four years of age at half fares and children of twelve years of age and over must pay full fares.
2. For Local and Through Traffic, the following free baggage allowances will be granted to each passenger:—

   1st class passenger ..... 80 kilogrammes (142 catties)
   2nd class passenger ..... 60 Kilogrammes (100.5 catties)
   3rd class passenger ..... 40 Kilogrammes (67 catties)

   Half of these quantities will be allowed on each child's half ticket of each class respectively.
3. Any weight of baggage in excess of the free allowance will be charged at the rate for the minimum quantity of 20 kilogrammes (33.5 catties) of $0.002 per kilometre per unit of 20 kilogrammes.
4. In case of any holder of Local or Through ticket who abandons his journey en route and desires a refund on the unused portion of his ticket he must apply in person, and produce his ticket for endorsement to the Station Master where the journey is abandoned. Application for refunds must be made as soon as possible after endorsement and must in any case be made within TEN DAYS of the date of expiry of the availability of the ticket which has been endorsed.

Will Szechuen Fall Into Communist Hands?

BY PAUL K. WHANG (王仲芳)

WHILE the government forces in Kiangsi are reported to be within the striking distance of Juikin, the Red capital, the communist situation in Szechuen has, however, become more alarming than ever. Knowing how difficult it is to check the onslaught of government forces personally conducted by Gen. Chiang Kai-shek, the communist leaders in Kiangsi are said to be withdrawing their forces westward with the hope of joining their fellow communists in Szechuen, where, by taking advantage of the chaotic political condition, they can give a new lease of life to the so-called Soviet China. It is China's sad fate that rich province after rich province should be laid waste and overrun with the forces of destruction. Woe to the people who have been visited by natural and man-made calamities in succession!

Szechuen, being located in the far west of China, has been practically secluded from the outside world. What is going on in this remote land is very little known to the rest of China. Aside from being noted as the largest and one of the richest provinces, it has also had the distinction of being known as the hotbed of civil wars. Nominally this vast province has been under the direct control of the Nanking Government; but, in reality, it has been ruled by a host of independent military leaders, who have carved it into many spheres of influence. These military leaders have maintained their respective mercenary armies, and have been always and all the time fighting each other for the purpose of gaining their personal ends. After decades of intriguing and fighting, Szechuen is still being left without a strong man who can bring the whole province into his absolute control.

Why Farmers Become Bandits

Civil strife coupled with its allied evil, heavy taxation, has set the stage for public uprisings among the destitute farmers, who, when faced with starvation, have had no alternative but to live a bandit's life. To call them communists is to attach too much significance to their activities, because they are too illiterate to interest themselves in any "isms." Driven by the necessity of seeking a livelihood, they have played themselves into the hands of self-styled communist leaders and become the latter's willing tools. They, just as the communists in Kiangsi and Fukien, are but the victims of circumstances.

The gravity of the bandit situation in Szechuen was not known to the people of this part of China until a few weeks ago when Gen. Liu Hsiang, commander-in-chief of the bandit-suppression forces in Szechuen and concurrently rehabilitation commissioner of Szechuen province, took French leave of his posts, and later submitted his resignation to the Nanking Government. In his letter of resignation, he minced no words in confessing his inability to stamp out the communist menace, because he had to conduct the military campaign singlehanded without obtaining any support from other military leaders of the provincial army. He also complained that his funds were insufficient to finance the costly campaign. Since his resignation, it has become known that Gen. Liu met many reverses at the hands of Red-bandits and that several "crack" regiments of his army were completely annihilated during his futile campaign. Discouraged at his heavy losses and incensed at the non-cooperation of his military colleagues, he therefore had to relinquish his political posts.

That military leaders in Szechuen can not co-operate to fight the Red-bandits should occasion us no surprise. Ever since Gen. Liu Hsiang's victory over his uncle, Gen. Liu Wen-huei, two years ago, his rapid ascendancy to power has been watched with jealous eyes by other military leaders, who, in the meantime, have entertained the apprehension that their respective spheres of influence would be endangered, if Gen. Liu should become strong enough to meet their combined strength. To them Gen. Liu has become a common enemy. Therefore why should they lend their aid to a man, who, after successfully concluding his campaign against the Red-bandits, might also turn his attention to them? For self-preservation, they have to assume an indifferent attitude toward the communist menace, and leave Gen. Liu to bear the brunt of fighting. They would be tickled, if the wings of their common enemy can be clipped thereby.

Gen. Liu has not been oblivious of this state of affairs. But being the commander-in-chief of the bandit-suppression forces, he has put himself between two horns. On the one hand, he must take upon himself the task of suppressing the communists not so much in pursuance of the order of the Nanking Government as for the purpose of maintaining his own sphere of influence. But on the other hand, he can not afford to sacrifice his personal army, who must be saved for better use in future. With the loss of his army will go his political influence. Therefore the reluctance on the part of Gen. Liu and his militaty colleagues to apply themselves unitedly and whole-heartedly to the task of bandit-suppression because of the mutual distrust and jealousy has permitted the communists to overrun this vast province without let and hindrance.

The reverses suffered by Gen. Liu at the hands of communists have been partly due to the non-cooperation of other military leaders, but, according to an authentic report, mainly to his own ignorance. He, the report says, entrusted the commanding of his soldiers to an nonentity named Liu, who, a fortune-teller by profession, claimed to possess uncanny power. Gen. Liu, whose ambition had possibly made him lose his good sense, actually believed that the army under the training of this fortune-teller, would become as invincible and irresistible as the latter claimed. But this invincible and irresistible army failed to live up to its reputation, and was completely routed by the communists. This set-back must prove especially distressing to Gen. Liu, who has not only lost his high hopes, but has also become the laughing stock of his people.

Communist Situation Goes from Bad to Worse

Upon the urge of the leaders of the Nanking Government and also the promise of financial support, Gen. Liu has now consented to resume his offices. But the bandit situation, in the meantime, has been going from bad to worse. During the last few days wild rumors were current alleging that Chengtu, capital of Szechuen, had been captured by the Red-bandits. According to a *Reuter* dispatch from Nanking dated October 2 officials of military headquarters at Nanking, while denying the fall of Chengtu into the communist hands, acknowledged that the situation in Szechuen was very grave, and also pointed out that the communist force in Szechuen under the command of Hsu Hsiang-chien, after their recent success in the northern part of Szechuen, moved towards important centers along the Yangtsze River with the object of capturing Chungking, the gateway of that province.

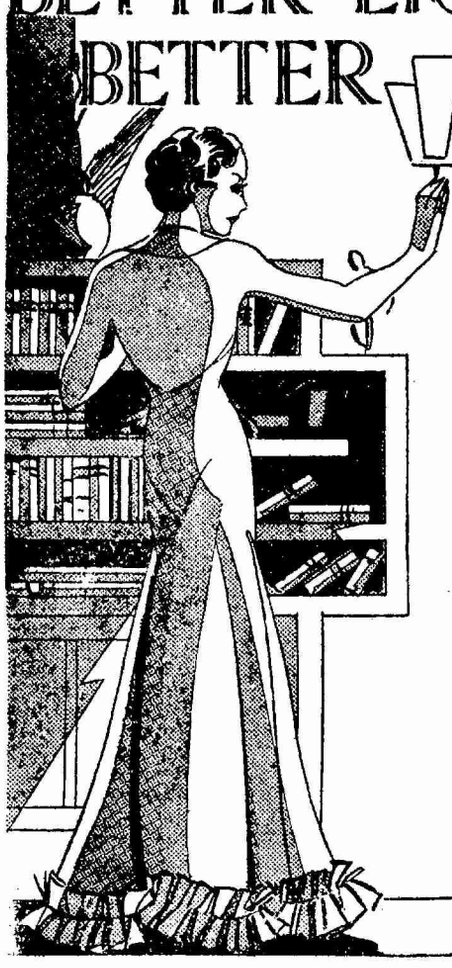
The gravity of the situation, therefore, can no longer be doubted. The northern and western parts of this vast province have now already been overrun with Red-bandits, and if the military leaders in Szechuen do not wake up and cooperate to resist the menace, the Red-bandits will not have much difficulty in bringing the whole province into their control. The sovietization of Szechuen will, of course, add much prestige to the cause of communism, despite their setbacks in Kiangsi and Fukien. Once the communists have successfully consolidated their position in this rich province, it will be next to impossible for the government forces to dislocate them. The topographical advantages alone will make their position impregnable. Be it noted that the Nanking Government has spent five long years in attempting to eradicate the Red-banditry in Kiangsi but has not yet achieved its desired objective. Then how long will it take to purge Szechuen once it has been contaminated with this communist curse?

It sounds really unbelievable that in a province where the largest provincial army has been maintained at the expenses of the people, the ill-equipped marauders can move freely and capture cities after cities from the hands of provincial forces. As too many cooks will spoil a dinner, so too many generals will not be able to agree among themselves to fight against a common enemy. In view of the existing state of affairs, we doubt very much if Gen. Liu, after the resumption of his offices, can do much to repulse further attacks of the communists. Unless an understanding can be instantly reached between Gen. Liu and other military leaders, the fate of Szechuen will continuously hang in the balance.

In face of this alarming situation, the Nanking Government must do everything possible to prevent the eastern part of Szechuen from falling into the communist hands. It is always better to prevent than to cure. In looking at this very grave case, we must carefully diagnose the symptom and prescribe effective remedies. It must be remembered that in Szechuen just as in Kiangsi and Fukien, the long years of misgovernment on the part of provincial officials together with excessive taxation have bred public discontent and made the people susceptible of anti-government propaganda. The erstwhile peace-loving and law-abiding people led by artful communists have been transformed into ferocious tigers in their quest of livelihood. Misgovernment and economic distress have led them to desperation, and therefore in solving this problem of communism, political and economic readjustments should be given precedence over all other measures.

Shanghai, Oct. 8, 1934.

BETTER LIGHT
BETTER SIGHT



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The "New Deal" at the United States Court for China

The following is a resume of the changes made at the U. S. Court for China by the Roosevelt administration, as sent by the "Associated Press" correspondent in Shanghai to newspapers in the United States:

It has taken two years for the Roosevelt administration to get around to changing the political complexion of the United States Court for China—only American court of its kind—which has up to now had a Republican personnel. But the New Deal has finally reached Shanghai and now the staff of the judicial outpost is solidly Democratic.

The lure of the East led scores of good and able Democrats to apply for the four appointive jobs which became available in the court here with the change of administration. The President has had other pressing matters to deal with, however, and the sweep did not come until this summer.

Milton J. Helmick, of Alburquerque, New Mexico, is the new judge. He will hold office for 10 years, at a salary of U.S.$8,000. He succeeds Judge Milton D. Purdy of Minneapolis, Minn. Judge Helmick, who as judge of the second Judicial District in New Mexico, set up something in the way of a record for quantity disposal of cases, believes that the court here is "probably the most interesting of the American federal courts." Judge Helmick is the fifth appointee to the judicial post. Although the United States has claimed extra-terriorial privileges in China since 1844, the court was not established until 1906.

The United States Court for China is an outgrowth of extra-territoriality. It exists by virtue of an agreement with the Chinese government and is empowered to handle criminal and civil cases in which Americans are the defendants. The plaintiffs may be of any nationality, but the American law rules. The court has jurisdiction over Americans throughout China. Its headquarters are in Shanghai and it holds regular terms at Tientsin, Canton and Hankow. In the past, there have been similar courts in other countries but with the gradual abolition of extra-territoriality in all countries but China, the Shanghai court is the only one of its kind remaining.

Before the establishment of the court, civil and criminal disputes involving Americans resident in this country were tried before American consular authorities, who held wide powers. This system had defects. Scandals were frequent and more than one attempt was made to impeach a consul-general. Mud-slinging was the rule in the consular hearings. At one time in those pre-court years the American "jail" was located in the building of the American consulate. Prisoners were served food from the tables of the consular officials and enjoyed such special privileges as taking regular afternoon walks.

One of the first decisions handed down by Judge Helmick after he took the bench here thrust him sharply into prominence. Judge Helmick denied the right of an American complainant to collect 12 per cent interest on a mortgage loan, declaring the rate was excessive. He ruled that eight per cent was the maximum legal interest rate. The decision has had widespread repercussions, for interest rates in China have been uniformly higher than eight per cent. It was claimed by some American business interests that many agreements they held would be rendered invalid as a result of the ruling.

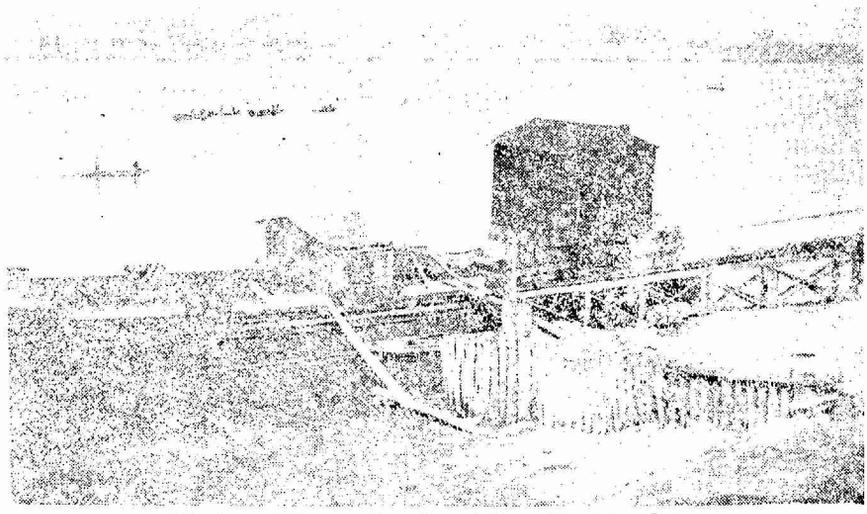
The first step taken by the new judge on assuming office was toward economy. He combined the offices of court reporter and secretary to the judge. Miss Helen Wiley, also of Albuquerque, became the new reporter-secretary. Feltham Watson of St. Louis, Mo., one of the youngest Americans to win a federal post, has been appointed district attorey in Shanghai, to succeed Dr. George Sellett of Kangley, Illinois. Watson is only 32. As clerk of the court, the President has named W. T. Collins of St. Louis, Mo., formerly of the American consular service in China. He takes the place of James M. Howes of Portland, Ore. His assistant will be L. T. Kenake. Duties of Thurston R. Porter, a Harding appointee to the post of the United States Marshal, have been taken over by Edward L. Faupel of Los Angeles, a former business man.

Modern Waterworks System Installed at Wuchang

DURING the last decade, several proposals and schemes were submitted for the construction of a waterworks in Wuhang, the provincial capital of Hupeh, across the Yangtsze from Hankow. Wuchang has a population of 300,000, and has been in great need of a system for supplying clear and hygienic drinking water. Due to various causes, this important construction has only lately been completed in its first stage with a capacity of 5,000 metric tons per day, or approximately one million U. S. gallons. The work started in June, 1933, and water has been pumped since last March.

The project is carried on under the auspices of the Bureau of Reconstruction with Commissioner Li Vanyi at the head, while design and construction were entrusted to Jameson Y. Chang, engineer of the Bureau. Limited, by funds of only $50,000, besides available materials in stock of about the same amount, it is remarkable what has been accomplished.

A map of Wuchang city showing the location of the water intake station, filter plant, pipe line, stand pipe reservoir, power plant, etc., is printed herewith. A general description of the plant follows:



Wuchang Waterworks—Raw Water Pumping Intake

(a) *Prime Mover:* Engine hor., double-cyl., 4-stroke, by Ruston & Hornsby, England. 200 B.H.P. 200 r.p.m.

Revolving field Alternator, maker A.S.E.A, Sweden. 60 KVA 1000 r.p.m. 3 phase, 380 volts. 50 cycles per second. Belt driven, direct coupled.

(b) *Power Transmission:* Distance of line, 1200 meters; 35 poles 10 m. x 10 cm. diam. top, with 35 meters span. Wire, bare copper, 10 strand S.W.G. No. 12; weight of copper, 1750 kg.

(c) *Raw Water Pumping Plant* (on pontoon):—Pump maker, Sin Chung Engineering Co., Shanghai; type, Centrifugal, single stage; Output, 2 sets, each, 100 tons per hour (450 US gal. per min.) head; 3-20 meters; connections 125 mm. (5") suction, 100 mm. (4") delivery; speed 750-1500 r.p.m. belt driven.

Electric motor maker—Siemens Schukert Werke, Germany. Type, slip ring; power, 2 sets, each 11 KW. (15 H.P.); 1430 r.p.m. 3 phase, 380 volts.

(d) *Coagulation Plant* Construction, Reinforced concrete with brick abutment; Overall length, 33.1 meters (176'-4"): Overall width, 19.6 meters (64'-4"): height, 3.6 meters (12'-0"): capacity 3350 cu.m. (122,100 cu. ft.): water travel, 200 meters: coagulation period 12 hours, mean velocity 28 cm. (11") per sec.: Partitions, 1" T. & G. planks.

(e) *Rapid Filter Plant*—Patterson type. No. of tanks, 10 sets, with ¼" steel plate; each diam. 2.9 meters (9'-7"), height 3.6 meters (11'-10"); filter area, each 6.3 sq. m., filtering rate, 5 tons per sq. m. per hr.; total output, 7500 tons per day.

(f) *Clear Water Reservoir.*—Length, No. 1. 49 m. (95'); width, 19.5 m. (64'); depth, 6.5 m. (21'-6"); capacity, 800 tons; No. 2, length 19.5 m. (64'); width 7 m. (23'), depth 3 m. (10') capacity, 400 tons.

(g) *Clear Water Pumping Plant.* Pump maker, Sin Chung Engineering Co., Shanghai; type, centrifugal, 3 stages; output, 2 sets, each, 100 tons per hour (450 US gal. per min.); head, 64 meters: connnections, 125 mm (5") suction, 100 mm. (4") delivery; speed 1450 r.p.m. Direct coupled to motor. Electric motor maker—Siemens Schukert Werke, Germany, Slip ring. 30 kw. (41 H.P.) 3 phase, 380 volts.

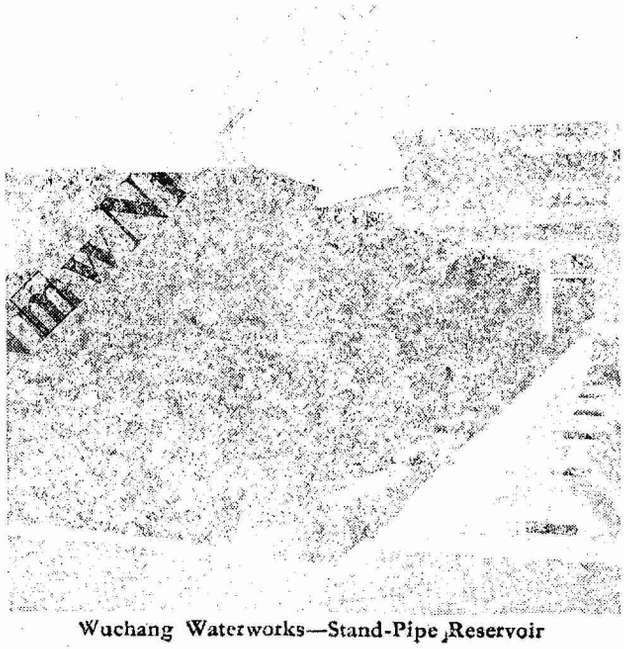
(h) *Main Pipe Line.*—Cast iron pipe supplied by Calowitz & Co., Hankow, made in Germany; Size, diam. 250 mm. (10") in 4 meters length; total distance, 2 km. ball and socket joint, 8 gatevalves along the line.

(i) *Stand Pipe Reservior.*—Steel plate, 5-16" thick, diam; 13.7 meters (45') Height 5.9 meters (19'-2") capacity 900 tons.

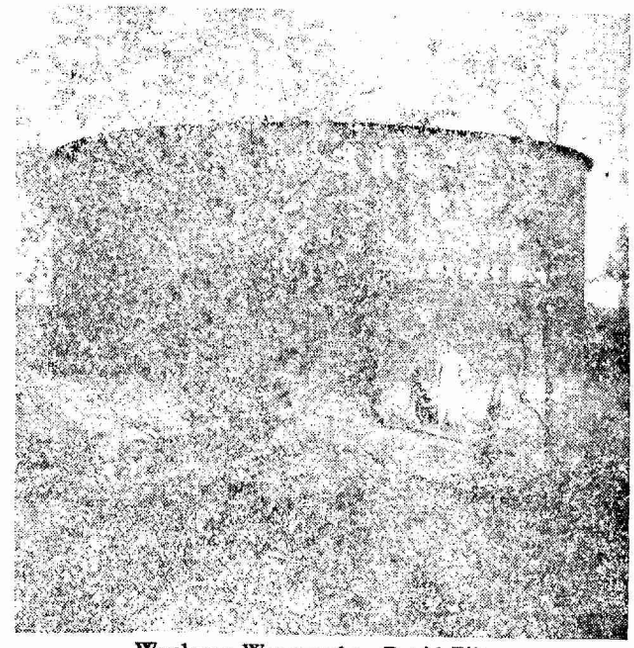
(j) *Branch Pipe*—Sizes, diam., 150 mm. (6") & 125 mm. (5"); five gate valves along the line, number of hydrants, 14.

As house connnections are not yet available at the present time, water is distributed by carts and carriers. Water in standard tubs of 25 liters each, 2 tubs to make a catty, is delivered to houses from the hydrants by carriers at the low rate of 60 cents per month, for every catty per day. For houses further than half a kilometer, from the hydrants, the charge is 90 cents, and over one kilometer $1.20. Retail sale of water at the hydrant is charged at one cent per catty. Their services are much appreciated by the public and were particularly applauded during the drought season of this year.

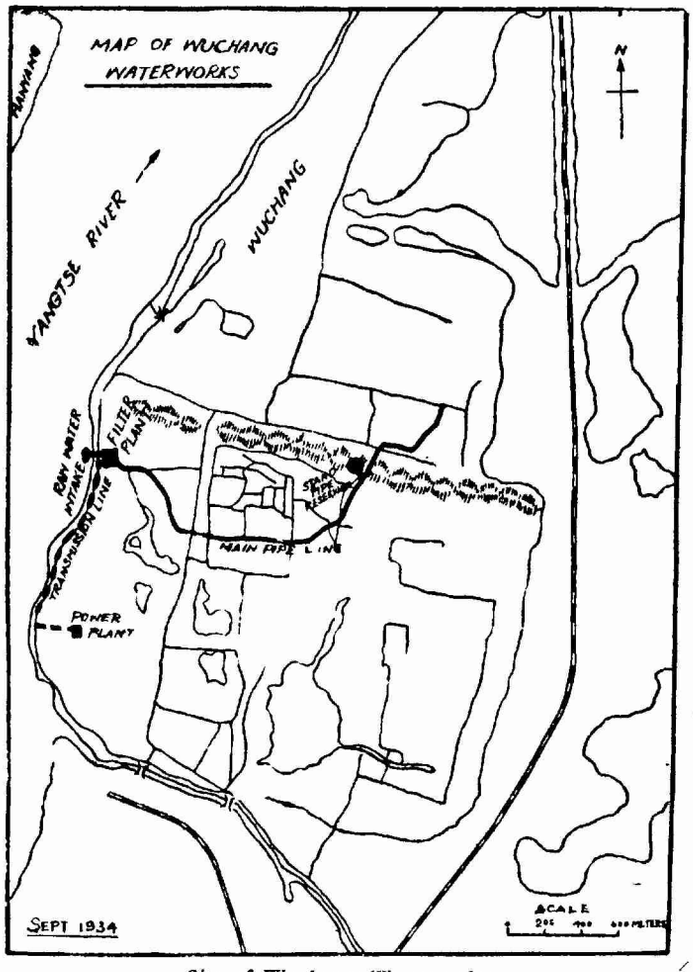
Plans for a large waterworks of 20,00 tons or 4 million gallons per day, combined with electric power plant 4000 kw. capacity, will soon be started by the Bureau of Reconstruction to solve the utility problems of Wuchang for water, light, power, and tramways, with one installation.



Wuchang Waterworks—Stand-Pipe Reservoir



Wuchang Waterworks—Rapid Filter



Site of Wuchang Waterworks

Procurators Say Peiping Palace Museum Loss Is $50,000,000

Charges that at least $50,000,000 worth of irreplaceable treasures of the Peiping Palace Museum have been stolen by Yih Pei-chi, former president, and other officials of the institution have been announced by the procurators of the Nanking District Court and the Highest Court. The procurators are preparing an indictment against the suspects. According to the procurators, the inspection at the Shanghai storage where the treasures had been held since early 1933 has revealed that a number of valuable articles have been stolen and an even bigger number replaced by "fakes." Among the wanted men is Yih Pei-chi, one-time Minister of Mining and Agriculture. He was president of the Museum before the removal of the treasures to Shanghai.

Soochow University Opens with Usual Enrolment

Soochow University opened with its usual enrolment, notwithstanding the transfer of a whole class (2nd year pre-legal) to the law school at Shanghai. There is a large percentage of girls. Their dormitories are overcrowded, and plans are being pushed for immediate enlargement. Ground will also be broken in the near future for the new gymnasium. Additions to the faculty at the University include C. C. Lin, Ph. D., in biology and H. Y. Ting, Ph. D., in chemistry. The former has just returned from America; the latter has already had long experience in China after his return from England, where he took his doctorate at the University of London. Miss Jean Manget after a majoring at Dulee University, in physics and taken her M.A., has joined the department of physics at Soochow, and also directs the physical training of the women students. Mr. and Mrs. J. W. Dyson returned in August from a year in America. After fifteen months at Kuling, Mrs. W. H. Park, with her daughter, Mrs. D. L. Sherertz, and the three youngest children, have returned to Soochow University campus.

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Japanese Diet Meet Slated to Begin November 24

An extraordinary session of the Japanese Diet will be convened on November 24 and continue for five or six days. Fumio Goto, Minister of Interior, who made the actual survey of the typhoon swept area some weeks ago, recommended that Premier Okada convene the extra Diet session as soon as possible, since the typhoon victims need urgent relief.

Faulty School Buildings Blamed for Huge Loss of Life

A wave of public indignation has spread over the Island Empire because of the large number of school children killed by the collapsing school buildings during the recent typhoon. In the neighborhood of 750 children were killed and over 2,000 injured in the collapse of 289 schools in the devastated areas.

A determined campaign to ascertain who are the parties responsible for the defective construction of the schools is being waged by Tokyo and Osaka newspapers, while the education boards are swamped with protests from private individuals. The campaign has already resulted in several official investigations, no two of them, however, coming to similar conclusions. K. Ito, Osaka architect, delegated by the police to determine the reason for the collapse of the schools, reported that most of the destroyed buildings were erected during the boom period of 1921, when the prices were high and consequently the specifications low.

Two separate investigations conducted by the Building Section of the Osaka Municipal Bureau and the Board of Education, tend to show that the municipality was not responsible for the damage, since none of the destroyed schools was built according to the specification of the Building Section. Officials of the section explained that the collapsed buildings were constructed before 1927, when the section took school building out of the hands of the ward educational committee.

The *Asahi*, a leading Tokyo newspaper, however, blames the officials for not inspecting and reinforcing buildings which were constructed before 1927. Another Tokyo daily gives details of faulty construction in school houses, which were revealed by the investigation after the disaster, and asks why these defects were not corrected long ago. Two Imperial chamberlains were sent by the Emperor to investigate the extent and causes of the school disaster.

Japan's Two Billion Yen Budget

Japan's budget for the 1934-35 fiscal year will be in the neighborhood of Yen 2,000,000,000, Tokyo Finance Ministry officials predicted Oct. 7, after examining the preliminary departmental estimates. To keep it at that figure, the Ministry will have to pare down the Yen 1,300,000,000 demanded in the estimates to Yen 360,000,000. The War Ministry's budget particularly, will be cut down to Yen 450,000,000, approximately half of the requested amount. The Army is expected to show determined opposition to the reduction, as the Finance Ministry's figures allow only Yen 130,000,000 for the new defensive requirements.

Similar opposition to reductions in the estimates is expected from the Ministries of Navy, Home Affairs and Agriculture and Forestry.

Sharp Slump in Japanese Stocks

In the monthly share settlement on the Tokyo Stock Exchange Sept. 28 deliveries involved 186 kinds of issues, totalling 727,350 shares with an aggregate value of Y47,257,270, or, approximately Y65 per share, an average drop of Y5.65 per share compared with the August settlement. On the Osaka Stock Exchange the deliveries involved 98 issues, with a total of 167,790 shares, of an aggregate value of Y15,378,190, the average drop of Y5.65 per share. The average price per share showed a decline of Y11.91 when compared with the August settlement.

Finance Vice Minister Says Financial Troubles Entirely Transient

Japan's finances today are going through a period of unsettlement and uncertainty and the yen is reflecting that general doubt, Vice-Minister of Finance Juichi Tsushima told press representatives last week. Fortunately, he added, the factors most closely affecting the exchange market are all of transient nature. The disturbing rumors regarding Government finances need not be considered seriously, he said. While it is true that the Government might have some trouble were it to attempt a large bond issue during the present month, there is no need to worry, for no bond issue will be necessary in the next two months, possibly not before the end of the calendar year, he said.

Admiral Suetsugu, to Be Appointed Member of Military Council

Admiral Nobumasa Suetsugu, Commander-in-chief of the Combined Fleet, will be appointed member of the Military Council middle part of November.

Japanese Viscount Commits Suicide

Placing a bronze bust of his famous grandfather, the late General the Viscount Kawakami, (once chief of the general staff) on a shelf and flanking it with pictures of his own parents, Viscount Kuniyoshi Kawakami, a morbid 24-year-old student of physiognomy, faced them and shot himself through the heart in Tokyo Oct. 5 at the exact minute when his sister had died three years before. The young man had devoted himself for some years to telling fortunes by the study of facial features and apparently had become convinced, by concentrating on his own, that he was doomed to a horrible death unless he killed himself.

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Signs of a Check to the Industrial Boom in Japan

(*From "The Economist," London*)

There are signs of a setback in various economic lines in Japan although they are mostly seasonal. The output of cotton yarn during July, at 112,989,000 lbs., shows a decrease of 1,421,000 lbs. as against that of June. The production of rayon yarn, at 11,822,000 lbs., also discloses a decline of 223,000 lbs. The Bank of Japan's index number of wholesale prices for July recorded a further slight drop of 0.2 per cent on the month, reducing the total to 138.4, the lowest since October, 1932. The aggregate value of all shares listed at the Tokyo Stock Exchange on August 1 registered a fall of 111.9 million yen, or 1.85 per cent., as compared with a month ago. The deposits and advances of the Tokyo clearing banks for last month declined by 6.1 million yen and 6.9 million yen respectively, as against the previous month, while investment holdings increased by 45 million yen.

The first half of this year witnessed a further rapid expansion in the rayon industry. The output of rayon yarn in the first six months of this year amounted to 64,367,000 lbs., as against 40,347,000 lbs. in the corresponding period of last year. Exports of rayon yarn and tissues in the January-June period of 1934 totalled 11,746,000 yen and 50,296,000 yen respectively, compared with 2,650,000 yen and 32,801,000 yen in the same period of 1933. The total productive capacity of eight companies belonging to the Rayon Manufacturing Association was 190 tons a day at the end of June, 1934, compared with 111 tons a year ago; and it will be increased to nearly 270 tons by the midsummer of 1935. Encouraged by such marked activity in the trade, sixteen new companies have so far been promoted with an aggregate productive capacity of 85 tons per day, and their shares have even been sold at a premium. It is feared, however, that such a mushroom growth of rayon concerns may prove a cause of disturbance to the trade in general.

Some big business interests are following the example set by the Mitsui family in the disposal of company shares exclusively owned by them with a view to evading the charge of monopoly. The Mitsubishi family has disposed of 400,000 shares out of 1,100,000 of the Mitsubishi Heavy Industries Company, a ship and aircraft building concern. The Asano family has also sold 50,000 shares out of 110,000 of the Asano Kokura Steelworks. The South Manchuria Railway is to dispose of large blocks of shares of the South Manchuria Chemical Company and those of the Korea Railway Company; in the disposal of shares, the S.M.R. will retain a controlling power over the chemical concern, but will sever its connection with the Korean railways.

Nichi Nichi "Warns" China

If the Nanking government adopts a policy directed against Japan, "Japan will not only abandon the policy of goodwill towards China, but also resort to most effective and proper measures of suppression at any time she may consider necessary," states the Tokyo *Nichi Nichi*.

The newspaper points out further that if China is reckoning upon Japan's international difficulties in connection with the forthcoming naval conference, to start anti-Japanese activities, or if any third power commences anti-Japanese activities in China, Japan will immediately take resolute measures to check such actions.

Tokyo Tramway Employees Again on Strike

The Tokyo trams employees went out on strike Oct. 7, after having gone to work two weeks ago after a previous strike.

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Soviets See Japanese War Office Leading a Fascist Movement

In connection with the publication of the Japanese War Office's pamphlet, the Moscow *Pravada* pointed out that by this action the Japanese War office officially places itself at the head of the entire military Fascist movement in Japan. The newspaper expressed the opinion that the appearance of this pamphlet possibly reflects also the struggle among the army leaders themselves. At the same time, however, it represents an attempt of the military circles to probe the frame of mind of the country.

"Preparing for the Naval Conference," continues the newspaper, 'the Japanese army demands still more strain on State finances, in order to materialize the extensive program of armaments. On the other hand, the compromising proposal made by Hayashi concerning the reform of the administration of Manchuria and the substitution of Hishikari by a 'moderate' general, shows the fear of the military circles to aggravate the present situation too much."

Modern Chinese Hotels

BY MYRON D. LING*

THE Chinese hotel system must be reorganized. Every possible step in raising the industry to a higher level should be taken promptly, if not immediately.

At the outset, I want to submit one very vital reason why our hotel business should be improved. The hotels in other countries set the pace. Today, one travels to New-York, to Paris, Rome, Venice, London, Berlin, in any part of Europe, in America, and even in Japan, where one finds that palatial establishments have been erected. They are attracting travellers, and if we desire to draw a fair proportion of those travellers from all over the world, we must at all costs make sure that our hotels will compare with any country.

The demand of the travelling public for the provision of bathrooms with running water, for central heating system, for clean beds with the right kind of springs and mattresses, for restful lobbies with charming music, and so on, is insistent, but today, we can hardly find these niceties among our Chinese hotels. Therefore, whenever any foreign visitors stop in China, for example, in Shanghai, they look around and say "Where are the best hotel accommodations?." The result is that they all go to European hotels, where they can find better service and comforts than in hotels, operated by Chinese.

Most of the Chinese hotels are not built right. They do not provide enough rooming space, nor are they equipped with modern conveniences. Room accommodation is based on rates and not on occupied guests. A person may get a room and share with several of his friends. The methods of management are conservative and in many cases bound by traditions. There is nothing like the front office system or the "back of the house" arrangement. If it happens to have a reception office, it is impersonal and has no feeling of human interest. The room boy usually "rooms" the guest, cleans the room, makes the bed, handles the mail, connects the telephone and collects the bill. Sometimes, he is even expected to entertain the guests besides doing all this and that, while the manager acts merely as a cashier or a bookkeeper. The whole operation is inefficient and the management is loose.

We need to adapt the American and European system of management. In other words, the up-to-date methods of foreign countries should be introduced into our Chinese hotels. We simply cannot content ourselves with thinking that this industry as just a domestic affair, created and developed for our own use.

Today we are all very keenly alive to the necessity for obtaining as much trade as possible. Competition in world trade is very intense, and no step should be neglected that would in any way induce the foreigner to spend his money in China. Any measure designed to foster the sale of goods in China and to induce visitors from abroad to leave their money behind is deserving of the consideration of both our government and people.

It is true that one of the difficulties of running the better managed hotels is that people who are employed in hotels in this country are as a rule not drawn from such a good class as is the case with similar hotels in Europe and in America. Therefore, it is important to obtain young people of fine character capable of entering the hotel industry as a calling or profession, and that specialized training in the field should be richly given. Thus, it will naturally and gradually bring up the standard of the Chinese hotel industry to a higher level.

China is a big country, old and historical. The land she owns is always important and interesting enough to be able to attract foreign travellers. Besides, the Chinese people are known to the world for hospitality and trustworthiness, all of which can be best offered to our visitors. Why not place ourselves as the hosts of the country in our own homeland, and why let this most profitable type of business be always handled by the European hotels?

Shanghai, Oct. 8, 1934.

*Mr. Ling is the first Chinese student to specialize in hotel management in America, meantime, receiving practical experience in one of the famous hotels in California, known as the Los Angeles Ambassador. In 1931, he graduated from the University of Shanghai in Business Administration. He is now comptroller for the Park Hotel in Shanghai.

Cigar Regimentation in the Philippines

(*From the Manila Daily Bulletin*)

When the government attempts to tell people what size cigars they can smoke and to dictate to manufacturers the number of cigars to be packed in a box, all in the name of the restoration of prosperity, the so-called Blue Eagle regimentation of industry begins to be something of a farce—as well as a danger.

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It's Their Story---and They're Stuck With It

(From a Correspondent in Mukden)

INCREASING excellence of Japanese command of English, as it appears in journals and official publications, make occasional gems of the old school, when they turn up, especially prized. Foreign residents here now mourn Editor Z. Hamamura, formerly of the *Manchuria Daily News*, which is now dully but correctly edited by an Irishman. In his day of editorship, which ceased when Manchukuo was established, Mr. Hamamura daily carried Biblical texts on his front page, freely interspersed bracketted editorial comments between paragraphs of news, put question marks or satirical observations after news statements of which he disapproved, and most of all is remembered for his classic "streamer" during the Sino-Japanese "war" in Manchuria.

Over reports of the defeat of Chinese troops under Ma Chan-shan, and the occupation of Tsitsihar by the Japanese, Hamamura ran this six column headline;

MA, THE BLUFFER, GETS IT RIGHT IN THE NECK !

The Bluffer Always the First to Flee

Collectors of journalistic curiosa prize that one, thus far considered unsurpassed. Nothing approaching it had appeared for a long time until recently the South Manchuria Railway, a billion yen Japanese corporation, issued a new guide to Mukden. This little book, now out of print and already rare, contains the following account of the famous incident which began the Japanese occupation of Manchuria:

"At 10.30 p.m. on the 18th of Sept., 1931, the Manchurian Incident was started by the insolent explosion of the railway track at Liu-tiao-kou between Mukden and the Wen-kuan-tun stations of the South Manchuria Railway which was executed by the Chinese regular soldiers. After the explosion the Chinese attempted to flee themselves in the direction of the North Barracks, but just then they were found by the Japanese railway guard under Lt. Kawamoto, who were patrolling the place on duty. Suddenly both sides exchanged the bullets and the Japanese made the fierce pursuit after them. . .

"The skirmish developed speedily and the Japanese troops was compelled to make a violent attack upon the North Barracks where were stationed the brigade of Major-Gen. Wang-iche to lead the conditions favorable. After several hours of fierce battle the barracks fell completely into the Japanese forces. . ."

And, so far as the S.M.R. is concerned, the incident is considered closed.

American business men in China and Japan are passing to each other another jewel of rhetoric, after the Hamamura tradition, which embodies a fervent Japanese appeal to foreigners to help Japan capture the world trade markets. This is the product of the All Japan Transport Association, Osaka, a great trade magazine just issued under the title. "The Trader and Transportations." Excerpts from its first page—or last, if you are reading it the Japanese way, must, stir the faintest heart. Witness:

"As to the foreign trade of Japan, when viewed from the angle of the world-wide market everyone in the world cannot fail to see clearly that our trade has made a most strident progress of late, and ever more moving upwards and on with such a giant's step that it has recorded an epoch-making and unprecedented success in the pages of international trade history.

"In this respect, it is most congratulating to us all that the various kinds of goods with marks, 'Made in Japan' on, are marching onward with appalling competitive forces into the world market, thus bringing about a boom in the industrial and business circles of the land of the Rising Sun. . . In consideration of such present situation, the so-called coming critical years, 1935 and 1936, must surely and necessarily bring to the fore a most formidable danger not only for our national defence but also for our foreign trade. As they brew, so let them bake, but under these circumstances it must be the time for us all to screw up ourselves and send forth warnings to the shippers at home and abroad, so as to awaken them all and prepare themselves for the very outburst of the worst. . .

"It is of the very aim and ideal of our own that this magazine under the tittle of 'The Traders and Transportation' has made its debut in full dress of the most attractive attire in order that it may give to all concerned most vivid impression and imprint them that the 'give and take' policy is the key-note from which the most reasonable profit of the present economic world can be derived out."

What the traders and transporters wish to have clearly understood is the mutual benefits to be derived from foreign cooperation in the development of Japanese trade. This idea is amplified in the following paragraphs:

"The reason at the bottom of the economic rationalization exists in the fact that if the cost of goods can be reduced to a mimimum standard, so as to come down, it will naturally and eventually invite the consumption to come up to the maximum, as the result of which it will necessarily tend to encourage industry and commerce, giving timely kicks and stimulus to the active movement of the goods as well as the development of the trade...

"To sum up, coordination or cooperation is the most up-to-date godsend to create a boom in the economic world from which people of all nations breathe the most balmy air of profit to their satisfaction. . . In view of this the magazine will no doubt command the trade world and will be the acme and gem of worship and respect from all the traders and transportation. . . From this point of view the readers of this magazine, far above the self-interested horizon, will witness that it will fly about freely and impartially quite high up in the air with the winged flight of faith. The editor is exclusively stuck to this lofty ideal in publishing..."

Widow of Liu Chung-kai Pleads for Peasants and Farmers

Madame Ho Hsiang Yin, widow of the late Liu Chung Kai, prominent member of Kuomintang who was assassinated by political enemies in 1926, issued a statement in commemoration of the National Independence Day. First she paid respect to Dr. Sun Yat-sen, the deceased founder of Kuomintang. Then she recalled that after the establishment of the constitutional Government at Nanking, the members of Knomintang, assuming prematurely that the revolution had succeeded and that there would be peace forever thereafter, forgot their duty and thus gave the old militaristic and feudal forces a chance to revive. The revolutionary cause had its renaissance in 1924 when Dr. Sun took steps to reorganize Kuomintang, in which the late Mr. Liu and Madame Ho herself took part.

Madame Ho put forth the following views on the national affairs of the government and the people: (1) To fight against imperialism is the primary cause of the national revolution and also the sole task for the independence of the Chinese nation; (2). The pretext of internal pacification before resistance of external invasion can no longer produce the effect of camouflaging the people. Those who hold prominent posts in the government, if they are human in any degree, should, go about finding measures to supress the evil forces within and to rescue the peasants and farmers. (3).—In time of grave national crisis like this, it is necessary to get opinion from all angles. In view of the patent danger Mme. Ho asks those who still profess that they are on the revolutionary mission to return freedom to the people. Though she is getting old and declining in her health and has repeatedly renounced the highsounding title of Member of the Central Executive Committee of Kuomintang, she pledges not to relinquish her duty as a lay citizen. With her last drop of blood in her waning years she would join the revolutionary forces, especially the youths of the country for the holy and glorious cause of the renaissance of the nation.

Tokyo Will Propose Friendly Co-operation with Washington

Hiroshi Saito, who is to return immediately to his post as Japanese Ambassador at Washington, will carry instructions from the Foreign Minister, to seek the friendly co-operation of the United States in all matters where their interests meet, a Tokyo message dated October 9 stated.

The instructions Mr. Saito has received in Tokyo are summarized as follows:

Fundament Policy—There neither has been nor will be between Japan and the United States any serious dispute which may lead to war. All issues between the two countries are susceptible to settlement by peaceful measures.

Disarmament—The Imperial Japanese Government will abandon all existing naval treatics but will propose in the stead a fair and effective disarmament plan in an effort to secure world peace.

Manchurian Question—Manchukuo has developed splendidly as an independent country, in both name and reality. The so-called Manchurian question can easily be solved if the other powers will recognize frankly the real state of affairs existing in Manchukuo.

China—The Japanese Government, as it has declared frequently in the past, has special interests in China and will continue to attempt to maintain Far Eastern peace, hoping for the spiritual support of the United States Government.

Trade—The Government wishes to promote a friendly spirit trade between Japan and America.

Immigration—The Government regrets such anti-Japanese movements in the United States as the one now attracting attention in the state of Arizona. Japan relies, however, upon proper and effective measures by the American authorities to attain the immediate settlement of the dispute.

Manchurian Administration Bill to Come Before Diet

Agreement has been reached between Premier Keisuki Okada and General Senjuro Hayashi, War Minister, to introduce the bill providing for reforms in the Japanese Administration in Manchukuo at the forthcoming extraordinary session of the Diet. Meanwhile, determined efforts have been made by the Cabinet to break the opposition of the Kwantung police to the projected reforms. The police reportedly fear that the appointment of the Chief of the Gendarmerie to head the civil police, will lead to its eventual replacement by the Gendarmerie. The members of the Minseito and Seiyukai parties in the House of Peers are known to be preparing to attack Premier Okada's Cabinet for ignoring the demands of the Kwangtung police.

To ward off this attack, Premier Okada has recently dispatched Saburo Hatta, Chief of the Police Section of the Overseas Ministry, to Kwantung to investigate the causes of discontent and attempt to effect an agreement upon his return to Tokyo.

A petition to the Government to give up the projected appointment of the Chief of Kwangtung Gendarmerie to the Police post was drawn up at a meeting of high officials of the Overseas ministry Oct. 7.

The Privy Council is stated to be supporting the view of Premier Okada that an army officer should head the projected Manchurian Affairs Bureau. General Hayashi, War Minister, however continues to insist that a civilian be appointed as the Director of the Bureau with an officer as his assistant. Gen. Hayashi's recent statement that a civilian has already been selected for the directorship was immediatedly denied by the Premier.

The main function of the projected bureau is to transmit the orders of the Cabinet to the Japanese Ambassador in Manchukuo. The director of the bureau, who is to be directly responsible to the Premier, will deal mostly with political matters, while the actual administrative work and the power to appoint the employees of the Bureau will rest in the hands of his assistant. The inability of the Premier and the War Minister to come to an immediate agreement hinges upon this division of duties.

Premier Okada has suggested that inasmuch as it is difficult to find a right man to head the Bureau, General Hayashi should hold the post in addition to his present tasks, while the purely administrative work should be in the hands of a civil official.

"Manchukuo" to Establish Consulates and Consulates General in Japan

Preparations are being made by the "Manchukuo" Foreign Department for the establishment of consulates-general in Osaka, Taihoku and Seoul, consulates in Nagoya and appointments of honorary consuls in Tsuruga, Moji and Seishin.

U. S. Journalists Received in Audience by "Emperor" Kangte

The party of twenty-three U. S. journalists arrived in Changchun from Mukden Oct. 7. They were received in audience by "Emperor" Kangte (Henry Pu Yi) on October 9. Some members of the party later proceeded to Peiping while others went to Harbin.

Manchukuo Production of Staple Crops

This year's crop or staples in North "Manchukuo" is expected to show a decrease of 660,000 metric tons under the June estimates, and a decrease of 130,000 metric tons in comparison with the 1933 crop, the Industrial Bureau of the Heilungkiang Provincial Government announced Oct. 8.

Franco-Japanese Syndicate Agreement Is Approved

The agreement for the formation of a Manchukuo investment syndicate reached between M. D'Olivier, French financier, and the South Manchuria Railway Company on March 8, was finally approved by the French and Japanese authorities, last week.

The capital of the firm, is to be contributed equally by the financiers of the two countries, although it is expected that the French investment will be increased if the profits justify it.

The headquarters of the Company will be located in Tokyo, with main branch in Changchun. The syndicate will be directed by a Board of 12 directors, equally divided between the French and the Japanese. The Managing Director of the firm will be a Japanese, and his assistant will be a Frenchmen.

New Railway Lines Will Shorten Harbin-Seishin Communication

Through railway traffic on the Lafa-Harbin and Hsinking-Tumen Railways will commence on November 1, according to an official announcement made by the railway authorities in Harbin. This shortens the railway travel between Harbin and Seishin, the North Korean port, to 40 hours.

Chinese Arrested for Murder of Japanese Merchant

A Chinese named Wang Ching-hung, was arrested in Tangshan Oct. 4 and allegedly confessed killing Yesaburo Miyagoshi last month. Miyagoshi was a Japanese merchant. He was killed on September 6, while entering the village of Lintoutun, on his way to Malanyu.

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70-265

The New and the Old at the World's Fair

At the left of the picture is Anna May Wong, popular Chinese movie star of Hollywood, than whom it would be difficult to find a more faithful Cathayan follower of modernism. At the right is a replica of China's famous old highway—the road from Peiping to Western Hills, paved about 1708 A.D. In background may be seen three Ford V-8, sedans the ultimate in modern automotive creation.

The scene is part of "The Roads of the World" Exhibit at the Ford Exposition, Century of Progress Fair at chicago. The road exhibit at the Chicago Centenary has attracted the attention of visitors from all parts of the world. Once more Henry Ford has demonstrated his flair for practicality. Mr. Ford realizes how closely good roads and the successful exploitation of the automobile are interrelated; he has been indefatigable in his campaign to improve the highways not only of the United States but of the rest of the world.

Minor Points of C.E.R. Sale Still to Be Settled

In spite of the tentative agreement on the price of the Chinese Eastern Railway reported to have been settled between Manchukuo and Soviet Russia, the *United Press* says there is still a wide difference between the governments with regard to the conditions of payment.

The conditions insisted upon by the Soviet government are believed to be as follows:

(1) To settle a definite cross rate for yen on the basis of the rate at the time of formal signing of the sales contract in view of constant fluctuation of the yen exchange.
(2) Manchukuo to pay interest on the second and third cash payments.
(3) Soviet Russia requests the guarantee of the Japanese Government for all cash payments.
(4) Soviet Russia recognizes the transference of ownership of the railway when the first cash payment is made.
(5) Payments in kind shall be made in two years, the Japanese Government to guarantee such payments.
(6) Russian employees of the line will withdraw within three months after Manchukuo gives them notice.

On the contrary, the Manchukuo Government makes the following proposals:

(1) Manchukuo will guarantee the lowest exchange rate of the yen.
(2) Payments in kind will be made in four years after signing.
(3) Guarantee by the Japanese Government is not necessary.
(4) Soviet employees will withdraw within two months after notification by the Manchukuo Government.

Formal signature of the contract for sale of the Soviet interest in the Chinese Eastern Railway to Manchukuo probably will take place at Tokyo this month, according to opinion in Harbin railway circles. M. Kouzunetsov, Soviet vice-president of the railway, proceeded to Tokyo during the week, accompanied by a legal adviser and a secretary.

Soviet Employees of C.E.R. Being Questioned Regarding Their Intentions

Questionnaires have been distributed to the Soviet employees of the C.E.R. by a Soviet emissary as follows:—

Do you wish to return to Soviet Russia? How long have you lived in Harbin? How long have you been in the service of the Chinese Eastern Railway? How much bonus do you expect to receive? What property do you have in Harbin? What property do you have in Soviet Russia? Do you have relatives in Russia and where?

In connection with the possible discharge of all Soviet employees, white Russian groups in Manchukuo have already commenced to agitate for at least partial replacement of the discharged men with white Russians. Many of the latter have acquired Manchukuo citizenship, and are thus eligible for future service on the Railway.

The Soviet Government, it is stated is anxious to have all the discharged employees return to Russia, threatening to pay no discharge bonus to those who remain in Manchukuo. Most of the employees, however, having acquired much property, are reluctant to leave it. On the other hand, the Japanese and Manchukuo authorities are unwilling to let the discharged Soviet employees remain in Manchukuo, fearing continuation of unrest. The authorities are also anxious to get rid of Soviet citizens in order to open new opportunities for other residents of the country.

Nanking's Protest on C.E.R. Sale

The Chinese Government has sent a communication to the Soviet Government, making clear its stand regarding the Soviet-Japanese negotiations for the sale of the Chinese Eastern Railway, which it points out is a joint property of China and Russia.

Blucher Inspects Border Garrison

Gen. Vassily Blucher, Red Army commander in the Far East, returned to Chita Oct. 7, after an inspection of the Soviet-Manchukuo border garrisons and a general survey. Japanese correspondents report that the attitude of the Soviet military forces along the border has been more "congenial" since the announcement of the tentative agreement regarding the sale of the Chinese Eastern Railway to the new empire. As a result of this improved feeling, it is reported that discussions regarding the demilitarization of the entire border are likely to begin soon after the negotiations for the sale of the railway are completed.

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Will Japanese Guarantee C. E. R. Sale Agreement?

One of the questions still to be decided in connection with the transfer of the Chinese Eastern Railway to Manchukuo, is whether the Japanese Government will guarantee the enforcement of the agreement if and when it is reached. Meanwhile, the negotiations for the sale of the railroad are proceeding smoothly, and final agreement is confidently expected to be reached by the end of this month. The present plans are that the "Manchukuo" Government will obtain the funds necessary for the payment to Soviet Russia by floating a loan in Japan, instead of borrowing from the South Manchuria Railway Company. The plan to entrust the management of the C. E. R., after its purchase from Soviet Russia, to the South Manchuria Railway Company, however, remains unchanged.

Soviets Plan Huge Development in Arctic Region

The Soviet Government has published a decree concerning the commercial development of the Arctic. The solution of this question has been given to the main administration of the Northern Sea Route—the activities of which extends from European Soviet Russia to the islands and seas of the Northern Arctic Sea, while in Asiatic Russia they comprise all regions north of the 62nd degree northern latitude.

The main technical task will be the building of transport ships and icebreakers, the opening of new harbors at the mouths of the Siberian rivers, the building of new airplanes designed for the Arctic, the erection of radio stations, etc. The main administration will appoint special trusts and organizations for the commercial exploitation of the Arctic.

Baku Naptha Output Proves Unsatisfactory

The production of naphtha in the Baku district, of the Soviet Union, has proved unsatisfactory. The plan prescribed the establishment of 133 new wells during July, while only 64 were bored.

The So-Called "Demilitarized Zone" Question

(From The Review's Correspondent in Peiping)

WITH the return of General Huang Fu to Peiping, the political machinery of North China bustled up anew after some time of comparative inactivity. Preparations are now completed for the convening of the 5th Plenary Session of the Political Readjustment Council on October 6. The meeting will be held in the former Waichiaopu Building under the chairmanship of General Huang. Eighteen out of the total twenty-two members of the Council have arrived to participate in the deliberations. It is understood that the agenda will include the report on provincial and municipal administration by the several governors and mayors concerned, to be followed by discussion of various projects. Among the latter may be mentioned the solution of problems pertaining to the "demilitarized zone," financial reforms, agrarian relief and general reconstruction. Another plan likely to be discussed envisages the opening of institutes for the training of prospective magistrates, police officers and directors of rural welfare.

The most trying question before the Council remains the one connected with the so-called "demilitarized zone." The situation in this region, which has by now become the political thermometer of the relations between China and Japan, is by no means reassuring. Signs are not lacking that for some time the Japanese have been itching for new troubles. Their provocativeness was most glaringly exhibited by their attitude toward the Miyagoshi incident. For, without waiting for justice to run its proper course, they warned the Chinese authorities, in effect, that another Nakamura affair might be made of the shooting by mistake of this now elevated "contractor of the Japanese army." At this juncture Major-General Doihara appeared on the scene. His recent mysterious visit to Peiping could not but further disturb the already uneven pulse of the city. To be sure, the Japanese "Colonel Lawrence" denied that he had any political mission to serve this time, but his record as a master plotter spoke louder than his denial. In a word, the bombastic temper of the Japanese was in strong contrast with conciliatory official American attitude toward the more serious Ingram case. And, out of sheer malice, they went the lengths of presenting to the Chinese authorities six demands which, though not completely revealed, do not admit of doubt as to their severe or unreasonable nature.

For instance, one of these demands asked for the removal of General Yu Hsueh-chung from the governorship of Hopei Province. The reason advanced by the Japanese Information Bureau in Tientsin was that General Yu was found responsible for officially conniving at and instigating anti-Japanese feelings among the people in the "demilitarized zone." No evidence, however, is given beyond hearsays, but this does not matter the least to the Japanese. Neither does it ever occur to them that this reason is so patently ridiculous as to deprive itself of any force whatsoever. General Yu, who is recognized as one of the best and ablest governors China has had of late, certainly possesses enough sense to refrain from a course which is at once useless to his country and highly impolitic so far as his own political future is concerned. In this connection it may be mentioned that even the British paper in Tientsin "The Peking and Tientsin Times" came forward with an eulogy of the governor's general helpfulness and justice to the foreign community. But, this testimony failed to impress the Japanese Information Bureau which thought the "Times" meddlesome and continued to deal malignity gratuitously.

All this agitation lends color to our belief that the Japanese are determined to oust General Yu by every means. They have more than once spread the rumor that the general would exchange his post with that of another governor. Since they have so far met with no success, it is natural that they would not relax their anti-Yu propaganda.

To speak the truth, the reason why General Yu is a "persona non grata" with the Japanese is that he stands in the way of their illegitimate aspirations. They want lawlessness, disorder and chaos in the territory under his jurisdiction, so that they may fish profitably in the troubled waters. But the governor, while solicitous of the safety of life and property of the aliens, does not lose sight of the general welfare of his charge and therefore cannot tolerate licentiousness from any quarter. In fine, he is strong and energetic in enforcing law and order, but the Japanese, who never cease to complain of chaotic situation, in their heart of hearts see in his strength and energy nothing but a menace to their secret ambitions.

If I have digressed somewhat on this instance, it is because it throws an instructive light on the whole Sino-Japanese problem. So long as the Japanese retains their present psychology, cooperation between China ann Japan must remain mere diplomatic phraseology. That General Huang Fu is alive to the uncertain future he is facing may be taken for granted. But the mandate of his power calls for action. That is why on his part he is evidently trying his best to liquidate an unsettled state of things. The proposed organization of a so-called Demilitarized Zone Committee—to be composed of representatives from the Political Readjustment Council, Branch Military Council, the Provincial Governments of Hopei and Chahar, the Inspectorates of the Luantung and Chihsien-Miyun Areas and the Directorate of the Peiping-Liaoning Railway—is General Huang's bid for a final solution of the diplomatic questions in the North. Whether he will succeed in his task time alone can tell.

October 6, 1934.

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70-267

Chinese Chamber Wins Right to Exchange Documentary Stamps

The appeal of the National Associated Chambers of Commerce and a number of local Chambers of Commerce throughout the country that current unused documentary stamps should be allowed to be exchanged for the new issue to be introduced on November 1, has been granted by the Ministry of Finance. In a telegram to the Associated Chambers, the Ministry, after reviewing the stamp-tax situation, says that having regard for the interests of the merchants, the Government will permit unused stamps of the current issue to be registered and exchanged for new ones after November 1. Detailed measures for registration and exchange of stamps will be announced later. After November 1, however, the Ministry points out, no old stamps should be used. Violation of this provision will be severely dealt with by the authorities. In granting the petition, the Ministry pointed out that the merchants have frequently in the past, in one way or another, evaded payment of the Stamp Tax, thereby adversely affecting the revenue of the Government. This fact is amply proved by the great number of cases of violation of the Provisional Stamp Tax Regulations that have from time to time been detected.

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New Revenue Stamps to Go on Sale Nov. 1

Sale of China's new issue of internal revenue tax stamps will be started on November 1 at the various post offices throughout the country in accordance with the original plans of the Ministry of Finance. Until the issuance of the new stamps the old issue will still be valid. The new issue will bear the picture of a pagoda.

The Chinese Chamber of Commerce in Shanghai took a leading part in the agitation against the enforcement of the Ministry of Finance ruling nullifying all old issue stamps on November 1. Many Chambers of Commerce in the interior cities telegraphed to the Shanghai organization urging concerted actions against the ruling. The chambers contended that most of their member shops are holding big stocks of old stamps, which, they declare, they were forced to purchase from the various tax bureaus with the belief that they will be good for years to come. The order nullifying the stamps would mean a complete loss of their stocks, entailing considerable financial losses, they declared.

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Morocco and Algeria Are China's Best Green Tea Customers

It may come as a surprise to the general public that Morocco is at present by far China's best customer for green tea, the exports Jan. to Aug. this year having reached $5,030,384. Algeria was China's second best customer for this article, the Algerians having bought to a value of $1,293,385 during the same period. The two countries together took considerably more than half of China's total export of $10,619,600 (Jan.-Aug. 1934). Great Britain is China's best customer for black tea—$3,924,519 during the period under review. America took only $776,838 (America hasn't forgotten the "Boston tea-party" yet and swears by coffee). Russia took $3,890,839 worth of brick tea, $409,937 of green tea, and $1,400,184 of black tea, a total of $5,698,962—considerably less than Morocco and Algeria's purchases of green tea—practically the only kind they are interested in.

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Gold Discoveries in China

A rich deposit of gold ore is reported to have been discovered in Changping, Northern Hopei. With the sanction of the Hopei Provincial Government, a private company will shortly start mining operations in that district. According to a telegram from Amoy, alluvial gold has been found on Suchi river, a stream in the district of Nanan, South-eastern Fukien. Thousands of people are heading for the river.

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Sharp Decline in Price of Flour

The *Sin Wen Pao* comments :—"During the last few days the price of flour on the local market has decreased to an alarming degree. The chief reason for the slump is the loss of the market in Manchuria and Jehol province where Chinese flour formerly had a wide market . . . If Chinese flour-mill owners want to compete with Japanese and Australian products in the Manchurian market, they must have the co-operation and financial support of the government. Mill owners should also seek further improvements in the quality of their products and place their factories on a more scientific basis. The cost of production must be improved before we can speak of competing with foreign producers. The mills should co-operate with each other to put up a united front to compete with Japanese and Australian goods."

Proposed Establishment of a Chinese Custom House at Hongkong

Editor, *China Weekly Review* :—

A lack of cooperation between Hongkong and South China on the part of the latter is evidenced in the proposed establishment of a Chinese Custom House in the British Colony.

Recently Nanking has been perturbed by the enormous decline of Kwangtung custom revenue. According to a Customs authority the custom revenues for the first seven months of this year amounted to only $4,500,000, while three years ago it was about $9,000,000 for the corresponding months. Although the decrease in silk exports and general trade depression are responsible to a certain extent for this loss of revenues, it has been found out that the principal cause of the decline is the extensive smuggling.

The Canton opposition to the proposed scheme was voiced by the All Kwangtung Associated Chamber of Commerce and the South West Political Council September 24. In a telegram to the Canton Government on Sept. 23 the Chamber of Commerce, which represents all the commercial bodies in the Province of Kwangtung holds that if such a scheme as recommended by the Ministry of Finance is put into effect, the trade and industries in Canton will suffer great losses, and that the "foreign" colony will be prosperous at their expense; also that if customs duties were payable in Hongkong, it would entail much inconvenience to the Canton merchants. The third reason given is that the Chinese customs has to be on the spot to study the trade returns and general commercial conditions, and if the Customs Administration were moved to Hongkong, trade enquiries would be handicapped.

The Hongkong Chamber of Commerce strongly approve of the establishment of a customs station in Kowloon. They maintained that it would immediately check the extensive smuggling now prevailing (including the operations of syndicates now protected by certain "influential persons" in Canton) because all foreign commodities would be taxed immediately on landing from ocean steamers.

It need hardly be pointed out that economically Hongkong is a part of China. There is a very substantial trade between Canton and Hongkong and Hongkong's prosperity must inevitably enrich Kwangtung. Therefore there is every reason for co-operation between Hongkong and Canton. A Chinese customs station in Hongkong would be very helpful in checking smuggling and thus encourage Chinese and Hongkong trade.

Hongkong, October 4, 1934. H. Y. PONG (龐希堯)

U. S. Methodists Move to Unite 3 Bodies

The reopening of an organized movement to merge the three leading bodies of Methodism in the United States was announced on September 8 at the Methodist Book Concern Building, 150 Fifth Avenue. If the unification is consummated, it will mean a body of close to 7,500,000 communicants. The year 1944 has been set as the goal when it is hoped to have the single Methodist body.

Liberty League Quotes Declaration of Independence Against Roosevelt

The newly formed Liberty League in the United States in its campaign against President Roosevelt quotes the following phrases from the Declaration of Independence (in that instance being applied to King George III):

"He has erected a multitude of new offices, and sent hither swarms of Officers to harass our people. . . ."

"He has combined with others to subject us to a jurisdiction foreign to our constitution and unacknowledged by our laws. . . ."

"For taking away our Charters, abolishing our most valuable Laws and altering fundamentally the forms of our Laws. . . ."

"For suspending our own Legislatures and declaring themselves invested with power to legislate for us. . . ."

"He has incited domestic insurrection amongst us. . . ."

U.S. Makes No Change in Silver Purchase Policy

Treasury officials stated in Washington Oct. 4 that there has been no recent change in the United States policy with regard to silver purchases in China and denied that large purchases of Chinese-owned silver had been made thus far.

Washington advices indicate that the U. S. Treasury will buy 500,000,000 ounces of silver annually in order to effect the ratio stipulated in the recently passed Silver Bill legalizing the nationalization of the white metal. Treasury purchases of the white metal will be make by means of the Stabilization Fund, a sum of U. S. $2,000,000,000. Meanwhile, secret operations are being carried on by the Government to stop speculation.

British Pound Falls to Record Low

The British pound in terms of gold reached a record low in London Oct. 9—142 sh. 9d. to an ounce of gold.

Who's Who in China

Lu Mu-ting, Government official; born at Yingkow, Liaoning, 1896; graduate of the Army Commissariat College, Peiping; has served successively as commissary to the various Brigades and Divisions and Army Corps; Director of the Commissariat Department of the North Eastern Aviation Administration; conferred the rank of superintendant of military commissariat; member of the Preparatory Committee for Wharf Construction at Chingwantao; Director of the Commissariat Department of the Headquarters of the Commander-in-Chief of the Peace Preservation Forces in the Three Eastern Provinces; Director of Finance Department of the North Eastern Administrative Commission; Director-General of the Bank of the Three Eastern Provinces and concurrently Director of the Liaoning Provincial Mint; member of the Liaoning Provincial Government; member of the Standing Committee of the Peiping Financial Readjustment Committee and concurrently director of the general affairs section of the Committee; now Member of the Hopei Provincial Government and concurrently Commissioner of Finance and Director-General of the Hopei Provincial Bank; address: Department of Finance, Hopei Provincial Government, Tientsin.

魯穆庭字際清
Lu Mu-ting

魯穆庭字際清，年三十八歲，遼甯省營口縣人，北京陸軍軍需學校畢業，歷任旅部師部軍需官，軍團司令部軍需處處長，航空署經理廳廳長，被授陸軍軍需監，秦皇島碼頭籌備委員會委員，東三省保安總司令部軍需處處長，東北政務委員會財務處處長，東三省官銀號總辦兼遼甯省造幣廠廠長，遼甯省政府委員，北平財政整理委員會常務委員兼總務組主任等職，現任河北省政府委員兼財政廳廳長河北省銀行總辦。

China Council of the Presbyterian Missions Celebrates 25th Anniversary

The China Council of the Presbyterian Missions, organized in 1910, concluded its twenty-fifth annual meeting in Shanghai latter part of last week. The present Chairman of the Council, Rev. Ralph C. Wells, Philan, D., came to China in 1902 as a member of the Shantung Mission and has been Chairman of the Council since 1925, having served on the Council since 1921. The Vice Chairman and Secretary is Rev. C. E. Parton, D.D., who came to China in 1899, has served on the Council since 1912, being a representative of the South China Mission, and since 1919 has been Vice Chairman and Secretary. Miss Margaret A. Frame came to China in 1910 as a member of the Shantung Mission and has served as Secretary of the Council since 1925. Rev. O. C. Crawford, D.D., came to China in 1900 and is the only member of the Council who has attended every annual meeting, except for furlough intervals, since the Council's organization.

The Council began its sessions September 19 and adjourned on October 6. The members of the Council were entertained by Mrs. Wells and Mr. Patton and Miss Frame at 11 Young Allen Court, on October 2, and on October 3 at the home of Rev. and Mrs. E.C. Lobenstine, 89 Route Pichon. Mr. Lobenstine, who came to China in 1898, is one of the original members of the Council and served on it during its earlier years; since 1913 Mr. Lobenstine has been Secretary of the National Christian Council, which is central advisory committee for the Protestant Missions and Churches in China.

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Property Sinking Fund	$ 384,608.87
Mathematical Reserve.....	$65,123,536.74

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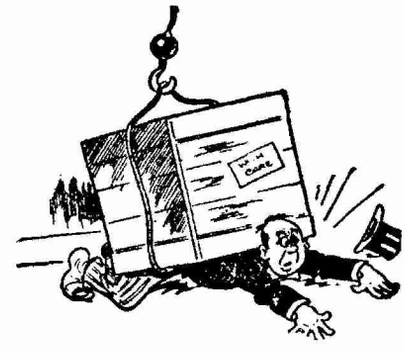

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Chemists everywhere sell Pinkettes.

70-269

Men and Events

C. V. Starr, Shanghai financier, has bought control of the United States Life Insurance Company, with assets of U.S.$6,176,-989.

General Parker, commander of the U. S. Army forces in the Philippine Islands, and party, will arrive in Shanghai on the *President Coolidge* on October 23.

The debating season was started at the Shanghai Foreign Y.M.C.A., October 9, when E. F. Harris made an address on Public Speaking in Present Day Life.

Edwin Haward, editor of the *North China Daily News*, accompanied by Mrs. Haward, returned to Shanghai during the week, after spending a vacation in England.

Tu Yueh-sen, prominent Frenchtown resident, October 6 presided over the cornerstone-laying ceremony for the new building on Avenue Edward VII near Chengtu Road of the Pootung Native's Guild.

The U.S.S. *Augusta*, U.S. Asiatic flagship, sailed out of Shanghai October 5 bound for Australia to represent the United States at the Centenary Fete of the founding of the city of Melbourne.

Major L. H. Miller, Executive Officer of the 2nd Battalion, U. S. Marines, left Shanghai with his wife and son by the *President Hoover* this week on transfer to Headquarters after two years service in Shanghai.

Mrs. Wang Ching-wei, wife of the Executive Yuan president, came to Shanghai from Nanking during the week and immediately after her arrival, at North Station, motored to her private home on Rue Bourgeat.

Nelson Johnson, U. S. Minister to China departed from Shanghai on the Dollar liner *President Hoover* for the United States October 9 accompanied by Mrs. Johnson. A reception was given in their honor by Judge and Mrs. Helmick.

Lieut.-Colonel L. M. Cosgrave, Canadian government trade commissioner to China, will depart from Shanghai for Melbourne November 18 to assume the post of trade commissioner there, He has been trade commissioner in Shanghai since January, 1925.

A Chinese mission headed by Yu Pei-feng, which is studying means of military transportation in the various countries, arrived in Moscow October 7. The mission was accompanied from the Soviet frontier to Moscow by the Chinese military Attache in Moscow, Colonel Feng Shen-yu.

Lee Wei-jen, alias Lee Se-shan, an employee of the Central Financial Affairs Commission, was arrested October 4 at Nanking on charges of fraud with funds derived from contribution testimonials entrusted to him to be delivered to the Chinese nationals in the South Seas.

In the British Supreme Court at Shanghai October 8 Judge Mossop confirmed the petition of Messrs. Millington, Ltd., for the reduction of the firm's capital from Tls. 1,500,000 to $1,200,000. Millington Ltd., over a year ago, absorbed the Oriental Press, which has been printing *The Review* since its foundation in 1917.

A special train, loaded with more than 300 Catholic Christians leaving the Shanghai South Station for Changan to attend a special mass there at 6:30 o'clock last Sunday morning, collided with a freight train at the railway station at Lunghwa, resulting in the derailment of the freight train. No one was hurt.

Dr. Sherwood Eddy, the well-known American lecturer and writer, who has been giving lectures in various cities of North China, has received a telegram from General Li Tsung-jen, the noted Kwangsi leader, inviting him to visit Kwangsi to deliver lectures there. It is understood that Dr. Eddy has accepted the invitation.

In the U. S. Court for China Oct. 9, Grant Mark was peremptorily ordered by Judge Helmick to stop drawing on an account in the name of his mother, Myra L. Mark. The point arose in an action against him by E. L. Hudec, architect. Mr. Mark in his evidence said his living expenses at the Cathay Hotel were $2,000 and that his father paid the bill.

An article by Wilbur Burton, special correspondent of the *Baltimore Sun* in Shanghai, on "Chinese Reactions to the Cinema," appears in the October issue of *Asia*. The article is a thorough study of the exploitation and effects of foreign motion pictures, principally American, in the country. Another article by Mr. Burton, on opium in China, is scheduled to appear in an early issue of *Asia*.

General Chiang Kai-shek recently instructed the Honan Provincial Government, to complete the public road from Lushih, in Western Honan, to Tzechingkuan, on the Honan-Shensi border, about 1200 li in length, before the end of the current year. The work is defficult owing to the mountainous nature of the country. Beginning from October 1, all civil officers in the city have been instructed to receive military training.

New Air Route---China to Europe in Four Days

The Deutsche Lufthansa is planning to open by the middle of next year a new air line between Berlin and Shanghai. The new line will pass through Greece, Persia, India, and South China, and will make possible an air trip from China to Europe in four days. Trial flights have already been made and negotiations are being conducted by the German company with various countries concerned.

Weihaiwei to Be Made Branch Air Station

Hsu Tung-fan, Special Administrator for the territory of Weihaiwei, arrived in Nanking, October 8 for an interview with Dr. Wang Ching-wei. Interviewed, Mr. Hsu said that a tentative arrangement has been made with the China National Aviation Corporation for the establishment of a branch station at Weihaiwei for the Shanghai-Peiping air mail and passenger service. The station will be opened as soon as the new planes, ordered by the corporation, arrive from the United States.

Forty-Eight U.S. Naval Planes to Fly Around Hawaii Group and Then to Guam

Rear-Admiral Alfred W. Johnson, commander of the air force patrol wing of the United States Fleet, announced last week at Los Angeles that 48 Naval Station planes will embark in March on a flight around the entire Hawaiian group and then to an unnamed destination in the mid-Pacific. It is assumed that Guam is the destination referred to by Rear-Admiral Johnson.

Four Killed When Plane Crashes in England

All four occupants of a British commercial airplane were killed in England Sept. 26 when the machine, which was winging its way to Paris, crashed down at Shoreham, Kent. Two other accidents occurred elsewhere during the week-end, a Spanish machine crashing to the ground during the funeral of an airman recently killed at the air maneuvers in the Asturias, while at Bizerta, in Tunisia, two French seaplanes collided in midair and crashed to the ground, seriously injuring three people.

Huge Japanese Bomber Lost

Five members of the Japanese army air crops are missing following the disappearance of a large bomber which took part in night maneuvers Sept. 22. The machine was last reported sighted by pilots of other airplanes as the squadron of five bombers was rounding the Idzu peninsula southwest of Tokyo. Fog and treacherous air currents blowing down the Hakone range prevail in the region which has been named "The Graveyard" by fliers because of the many mishaps that have happened there.

Eurasia Plane Held Four Days—Released in South

The regular plane of the Eurasia Aviation Corporation, held by the military authorities in Canton for four days, was released Oct. 5 following apologies tendered by the aviation firm! The plane was detained by military authorities in Canton when it landed by mistake on the military airdrome in Canton.

Funeral for Chen Wu-lieh, Overseas Pioneer, Held in Shanghai

Funeral services for the late Chen Wu-lieh (Tan Boo Liat), who was one of the pioneer Chinese settlers of the Straits Settlements and the grandson of the late Tan Kim Cheng, Chinese consul-general for Siam, took place in the chapel of the International Funeral Directors, Kiaochow Road, in Shanghai October 6. The remains are to be cremated and the ashes sent to Singapore for interment. Deceased was one of the first overseas Chinese to be enrolled into membership of the Tong Meng Hui organized by Dr. Sun Yat-sen, the late founder of the Chinese Republic, and remained a staunch friend of Dr. Sun and supporter of the latter's revolutionary ideals down to the time of Sun's death.

Canada Willing to Naturalize Japanese as Citizens

The Canadian government recently announced that Japanese may become naturalized subjects of the Dominion under certain circumstances. It is stipulated that Japanese subjects taking such a step must secure certificates from the Japanese Legation at Ottawa proving their voluntary withdrawal from Japanese citizenship. Applicants may not be in Japanese government, military or naval service, nor subject to future military duty.

Jugoslavian King and French Premier Assassinated at Marseilles

King Alexander I of Jugoslavia was assassinated by exiled political opponents Oct. 9 as he rode through Marseilles streets, and five others were killed, among them M. Louis Barthou, French Foreign Minister, who tried to shield the nation's guest.

Sun Fo's Constitutional Proposals Interpreted

The Legislative Yuan met on September 28 and 29 to examine the third and fourth chapters of the Draft Constitution and the examination is based on the proposals submitted by Sun Fo, Chairman of the Legislative Yuan. According to Mr. Sun the Kuo Min Ta Hui, or National People's Conference, shall exercise only political power, leaving 'governing powers' to the National Government. He believes that only by this way can the ideal of a centralized government be realized. In other words, he favors the curtailment of the powers granted to the National People's Conference in the original draft and the increase of those of the Government.

The important points in Mr. Sun's proposals are summarized by the *Peiping World Daily News* as follows :—

(') The right of veto of the National People's Conference shall be limited to legislation and shall not be extended to matters concerning the declaration of war, the conclusion of peace and treaties, the proclamation of martial law and the granting of general amnesties.

(2) National People's Commission shall be abolished.

(3) National People's Conference shall have jurisdiction over cases involving the impeachment of the President Vice-President of the National Government, the chairman of the Legislative, Judicial and Control Yuan as well as members of the Legislative and Control Yuan.

(4) During the adjournment of the National People's Conference, impeachments against the President, or Vice-President or the chairmen of the Legislative, Judicial, Examination and Control Yuan shall be handled by the Legislative and Control Yuan sitting in joint session. By a vote of two-thirds of the members of the Control and Examination Yuan present, three-fourths of the total membership of these Yuan constituting a quorum for such a meeting, an extraordinary session of the National People's Conference may be convened to consider the dismissal or retention of the officials impeached.

(5) The right of supervision over the exercise of governing powers by the President shall be transferred from the National People's Conference to the Legislative Yuan, which will occupy the position of a legislative assembly.

(6) The National People's Conference shall be convened every four years instead of every two years as provided for in the original draft. The term of each session shall be one month but it may be extended. An extraordinary session of the Conference may be convened on the resolution of one-fourth of the total membership of the conference.

As a result of the examination of Mr. Sun's proposals on September 28 and 29 the Legislative Yuan decided to maintain the provision in the original draft that the People's Conference shall be convened every two years. As regards other points, they require further discussion on the part of the Legislative Yuan.

The *Peiping World Daily News* comments :—"When the first Constitutional Draft was published last March we wrote an editorial, pointing out the contradications between the National People's Commission and the Five-Yuan system. If a People's Commission should be established, it must be invested with the power of supervision and direction over the Government. But this is not the case, for the Legislative Yuan has the right to pass a vote of non-confidence in the Government, while the Control Yuan is given the right of impeachment, although both the non-confidence votes and impeachments of the two Yuan can produce direct effects, since they have to be passed on by the people's Commission. This system is neither parliamentary nor in accord with the Soviet system. When the People's Commission functions during the period of the adjournment of the National People's Conference, it is similar in character to the Central Executive Committee of the Soviet Government, but according to the Draft Constitution, the members of the Commission are not necessarily limited to the members of the People's Conference but are to be selected from among those who have rendered meritorious services to the nation. This makes the Commission a sort of elders' Council and means that during the greater part of the four years the National People's Conference is not in session, the governing power is vested in the hands of a few elder statesmen. This is not compatible with the five-Yuan system of government as laid down by the late Dr. Sun Yat-sen."

Railway Bridge to Span Yangtsze at Hankow

In connection with the building of the Canton-Hankow railway, a bridge more than a mile long to span the Yangtsze at Hankow is being planned. This gigantic engineering task is to be undertaken jointly by the Ministry of Railways and the Hupeh Provincial Government.

In the United States Court for China

In re. Estate of CARL ALFRED NAHMMACHER, Deceased

Cause No. 3720
Special Proceedings No. 989
NOTICE
Filed at Shanghai, China, September 14, 1934.
Sgd. William T. Collins, Clerk.
by L. T. Kenake, Asst. clerk.

Pursuant to an Order of said Court notice is given to all persons having claims against the estate of CARL ALFRED NAHMMACHER, deceased, to present the same with vouchers to the undersigned on or before the 22nd day of February, 1935, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

MRS. W. E. NAHMMACHER,
Administratrix
c/o Messrs. Allman & Co.,
Hamilton House,
Shanghai.

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New Books of Interest in the Far East

A Socialistic Confucian on China

On Chinese Studies. By Kiang Kang-hu. The Commercial Press, Ltd. Shanghai, 1934. 403 pp.

This volume is a collection of articles by Prof. Kiang Kang-hu, for many years a teacher at McGill University, Canada, and now visiting his homeland. Mr. Kiang is an avowed Socialist, and states himself to have been the founder of the Socialist Democratic Party in China before the 1912 Revolution, which organization—as Mr. Kiang modestly admitted in an article in the "Labor Year Book"—naturally went out of existence with his departure from China some years ago. His social ideal, as expressed in one article in the collection under review, is "an intellectual aristocracy governing with a community economic life...a qualified democracy and a socialized industrialism."

On the other hand, Mr. Kiang's attitude towards Chinese ancient history and pre-history is that of the nineteenth-century Confucian scholar. It is interesting to be able to find, in 1934, a Chinese with a degree of modern and Western education, an avowed Socialist and liberal, who however accepts almost *in toto* the Confucian interpretation of Chinese history, and completely ignores the higher criticism of recent years. Mr. Kiang refers to the mythical "golden age" of China as if it were historic, fact, and indeed gilds it even further by referring to the "ancient republican governments" of Yao and Shun, who "were in reality the democratic life presidents of a republican form of government," the "first Republic in the human race." China "was from the beginning of her history a republic."

For anyone wishing a presentation of the Chinese classics from the viewpoint of an old-fashioned but socialistic and liberal Confucian gentleman of the nineteenth century, the book is recommended. The author's analysis of the "Four Books" and the "Five Canons" is interesting in this respect. If it is kept in mind that the sixty-four diagrams of the "Book of Changes" were unknown in the Shang period, and therefore cannot date back before about 1,000 B.C., that the little Shang city of the thirteenth century B.C. is the earliest record of Chinese civilization and government of which there is any archaeological trace of any kind, that there were no definite law codes whatever prior to the time of Confucius (who fought bitterly against their introduction, declaring that if the common people knew the laws they would be able to avoid them, and would no longer fear their masters), that such education as existed in Ancient China was a monopoly of the upper classes, that at the dawn of history Chinese society consisted of a feudal ruling class completely above the law, living upon and exploiting a subject class wholly without rights of any kind, that the elaborate system of government and laws ascribed by the *Chou Li* to the early Chou dynasty are wholly mythical (the book being a production of the Han period a thousand years later),—if all these things are kept in mind, Mr. Kiang's brief presentation of the Chinese classics may be read with interest, and his effort to outdo Confucius in idealizing the past appreciated at its true worth. In the same connection, Mr. Kiang's study of Lao-Tze omits mention of the latter's brief and sound analysis of economic conditions. ("Are the people poor? Because their rulers consume much taxes, therefore they are poor"), or the philosopher's bitter criticism of the "sages" who would confuse the people with phrases and ceremonies.

Mr. Kiang in his book covers a very wide field. In addition to his articles on the importance of Chinese studies, and his studies of the Chinese classics and Lao-Tze, he deals with several phases of Chinese Life and education, art, printing, agriculture and agricultural tools, old Chinese dentistry. He reprints his criticism of Pearl Buck's Chinese novels, in which he expresses the view that though coolies and amahs, "honest and good country folk," may "form the majority of the Chinese population," they "are certainly not representative of the Chinese people."

The best articles in the book are towards the end. While in dealing with the ancient past Mr. Kiang is a Confucian improving upon his master, in dealing with more recent events he is a keen observer. His study of the "Birth of Nationalism in China" is excellent, pointing out the contrast between the "official government" above, "even at its best. . . a necessary evil," and the local self-government, "direct, intimate, and beneficial to the people," and presenting the conviction that "Nationalism is and will be the strongest driving force in China," in spite of the fact that previously "China has not been a nation in the modern sense of the word." His "First Impression of Japan" is interesting (though perhaps containing some exaggerations), and his study of "Cultural and Racial Bonds Between China and Japan" is also worth reading, though it undoubtedly exaggerates the strength of these bonds. He presents here the interesting thesis that "China is probably the only empire in the history of the world that has been built up not by conquest but by being conquered."

In general, in dealing with the modern world, and with the historic (as distinguished from the legendary and proto-historic) China, Mr. Kiang is a good observer and commentator. He apologizes in his foreword for his English, which "was entirely self-taught," but this apology is rather superfluous, for although there are some very un-English passages, the book in general is quite well written.

H. H.

The States of the Soviet Union

The States of the Soviet Union. By Joseph Stalin. International Publishers, New York. 1934. 96p. $.75 gold.

The internal and external position of the Soviet Union can not be impartially described by a single observer; there are too many factors of space and circumstance, of mental bias and political heritage, which will consciously or unconsciously intrude. However it is at least possible for the world to get the same survey of the U.S.S.R. that is presented to the Communist Party members themselves. At each Congress of the Party a report on the work of the Central Committee is given. This book is Stalin's report to the Seventeenth Congress.

The report includes an analysis of the economic crisis in the capitalist world, the growing acuteness of the political situation and the world relations of the U.S.S.R., the progress of industry and agriculture, improvement in material conditions and culture in the Soviet Union. There is more than a little discussion of the problems of organization and leadership facing the Party itself.

The distinctions between the Communist Party, the Soviet Government and Third International are too often ignored. The reader of this book must remember that the Party with its powerful organization and its carefully selected membership of "more than two million members and candidates" (in a population of one hundred sixty million) is the dominant force in the Soviet Government, and indirectly controls the mechanics of Soviet trade, industry and finance. The Party is also the chief force in the Third International, an organization created for the purpose of carrying revolutionary propaganda to foreign countries and preparing for world revolution. Stalin, speaking to this Congress, says: "nine-tenths of the responsibility for the failures and defects in our work rests, not on objective conditions, but on ourselves and on ourselves alone." Stalin denounces of many difficulties—the Bureaucracy in the administrative departments, "idle chatter about leadership in general" instead of real and concrete leadership, the absence of personal responsibility, depersonalization in work and equalitarinism in the wages system.

This problem of equalitarianism is discussed in various sections of the report. One of the clearest statements on this subject is to be found in the discussion on agricultural organizations. After Stalin categorically states "there are no longer any communes in there is equality, equalitarianism in requirements and in personal life," he continues.

> "These people evidently think that socialism calls for equality, for leveling the requirements and the personal lives of the members of society. Needless to say, such an assumption has nothing in common with Marxism, with Leninism. By equality Marxism means, not equality in personal requirements are not and cannot be equal in quality or in quantity, either in the period of socialism or in the period of socialism or in the period of communism."

The section dealing with industry shows that socialized industry has come to be 99.93 per cent of the total. Despite the fact that industry has grown almost fourfold compared with the pre-war level, Stalin shows that certain defects are hindering development. Among other definite weaknesses he mentions.

> "A totally intolerable attitude towards the question of improving the quality of production;
>
> "Continued lag in the increase in the productivity of labor, in the reduction of cost of production and in the inculcation of cost accounting."

This book not only gives a report of three years of the Soviet Union, but it carries deeper connotations. This to be found in the attitudes expressed, the admission of mistaken action in Party routine, industry and agriculture. The unanimous approval of the delegates given to the entire report implies that the section on Soviet foreign policy describes the national temper. Not often, in less than a hundred pages, can a reader get so much of interpretation and information. F.M.R.

Short History of English Literature

A Short History of English Literature by Emile Legouis. London: Oxford University Press. Shanghai Office, 140 Peking Road.

This is a very complete history of English Literature at a popular price. There are 400 pages of brilliant summary, starting with Aldhelm and ending with De La Mare, Kipling, Shaw and O'Casey. Professor Legouis' reputation as a critic of English Letters is already high, but never before has he so

lucidly surveyed so vast a scope. His own genius makes him astonishingly central to our traditions, though he preserves, throughout, just sufficient detachment for the reader to feel that his judgments are actual and not derived. The book is illustrated with 16 double and 8 single plates. A few of these are portraits, but the majority of the pictures are used to illustrate the material conditions and adjuncts of literature such as printing-presses, theatres, etc. Professor Legouis is Professor of English Literature at the Sorbonne.

Concise Oxford French Dictionary

The Concise Oxford French Dictionary, Compiled by Abel Chevalley. London: Oxford University Press. Shanghai Office, 140 Peking Road.

This is an excellent French-English Dictionary at a popular price. The late Abel Chevalley, its compiler, was not only an acute student of English literature; as a diplomatist he had lived long in English-speaking countries, and had a profound knowledge of the spoken language. The vocabulary is an extremely full one, and is suited for those who require a dictionary for the reading not only of classical French but for the understanding of modern French works in which contemporary idioms and words play so large a part.

A Light Tale of Australian Life

"The Singing Gold", by Dorothy Cottrell. Hodder and Stoughton Ltd., London. 2/- net.

"Singing Gold", the first novel by Dorothy Cottrell, a friend told me was more Australian than anything he had read for a long time. To me it is a kind of fairy-tale sensitively and naively written. It carries one back to childhood with all the avid devouring romances.

The story gives a picture of what life among the flooded wilds of Western Queensland, full of a certain childish humor and pathos, of a family who lived close to the soil. The beauty of this country and its prolific vegetation cannot be ignored. I found it an appealing little story, gracefully and sweetly told, but very light reading. M. P. W.

"Behind the Soviet Mask"

In the *New Outlook* for September, William H. Chamberlin, for many years in Soviet Russia as correspondent for the *Christian Science Monitor*, contributes an article under the above heading. He points out many parallels in the methods used by the Soviet Government and the previous Czarist regime. He says: "It is the historical tragedy of the Bolshevik revolution that, in the struggle to get and keep power, it unconsciously assumed so many features of the despotism which it set out to overthrow. This, incidentally, is a tragedy that has often repeated itself in various countries and in various forms."

Honan Chairman Attends Bandit Suppression Conference in Hankow

(By the Review's Correspondent at Kaifeng)

General Liu Chih, chairman of the Honan Provincial Government, proceeded to Hankow last week, to attend the Bandit-Suppression Conference for the Honan-Hupeh-Anhuei border. On his return he will inspect political administrative conditions in Southern Honan. General Li Pei-chi, civil commissioner of the province, acted as chairman during General Liu's absence. General Li declared recently that Chi Hsing-i, educational commissioner of the province, will remain in office, despite recent rumors.

Following the resignation of Wan Wu and Liu Yao-yang, as members of the Honan Provincial Government, Messrs. Li Ching-tsai, former civil commissioner of the province, and Chang Chung-lu, former president of Honan University, have been appointed to succeed them.

Liu Chuo-ching, head of the local public safety bureau, intends to resign and Wang Chun-wu, a member of the Kaifeng Pacification Headquarters, will be appointed to succeed him. Mr. Liu has gone to Shensi, representing General Liu Chih, chairman of the province, to attend the celebration of the 70th birthday of General Yang Hu-cheng's mother, chairman of the Shensi government.

"Graft" Charged in Lease of Land to Japanese in Philippines

Charges that the Japanese, by means of leases control 90 per cent of the agriculture of the Province of Davao, which is on the island of Mindanao, were voiced in the constitutional convention in Manila, Sept. 22 in connection with a proposal to limit leases to five years. Mentalyon Pelayao, delegate from Davao, asserted that Government officials are obtaining public lands to turn over to the Japanese, thereby making percentages of profit for themselves.

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(Dr. John Wishart is intending to give lectures during the next four months on the mathematical study of agricultural experimental work by arrangement with the National Agricultural Bureau.)

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(The author of these two books has arrived in China to lecture for a year at Universities and elsewhere on the subject of Co-operation under the auspices of the Sino-British Cultural Association in Nanking.)

PROBLEMS OF THE PACIFIC, 1933

Economic Conflict and Control

Proceedings of the Fifth Conference of the Institute of Pacific Relations, Banff. Canada, 14-26 August, 1933.

Edited by Bruno Lasker and W. L .Holland

In contrast with previous conferences of the Institute, the fifth, of which this book presents the proceedings and findings, dealt with a specialized agenda. The subject under discussion was 'economic conflict and control in the Pacific area', and every aspect of that particular problem was discussed at length. Shipping, instability of currency, differences in standards of living, Japanese expansion and such immediate problems of the area under review are here dealt with, and much consideration has been given to the effect upon the Pacific group of such recent developments as the United States Recovery Programme and the Ottawa Agreements. 21s.

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White Russians in the Far East

BY MARC T. GREENE

This article by a seasoned traveler which was syndicated to American papers is all the more interesting at this moment when there will be an influx of Soviet citizens because of the sale of the Chinese Eastern Railway.

THE flight from Europe into Asia of a mighty horde of banished Russians, soldiers and civilians, men and women, patriarchs and little children, is like that of the Czechoslovakian Army which fled from destruction along the same Transiberian trail, another Anabasis and it deserves another Xenophon to write its annals. But even that desperate retreat was only the preface to further trials when the harassed "whites" were forced to flee from Vladivostok at the approach of the Bolsheviki.

From 1917 onward the struggle of the Russian refugees who fled eastward is one of the epics of modern times. In the cities of the Orient today, especially in Shanghai, you may gather something of the story, a bit here and a bit there, from the older members of the remarkable Shanghai "white" Russian colony. It is not a thing they care greatly to talk of, for in the victory they have won over adversity they know a measure of content and would forget the past. Yet the very nature of that past brings the greater glory to their triumph.

In drab Vladivostock more than 10,000 refugess were huddled in 1919 while "white" Russian troops and others were trying to check the Bolshevik advance to the coast. As that attempt failed the plight of the refugees became more desperate. Only Harbin, across hundreds of miles of dreary and gale-swept plains, or Shanghai, across thousands of miles of icy seas, offered any hope of succor. For each of these the refugees set forth. In the harbor of Vladivostok were three small and antiquated steam vessels still flying the blue-and-white flag of the Tsars. Into them, vastly overcrowding their capacity, poured several thousand panic-stricken men, women and children. The pathetic little fleet was commanded by a former admiral, high in the service of the monarchy. He, Gleboff guided the vessels across stormy waters into the Yang-Tsze-kiang and then up the Huang-pu to Shanghai. Two of them no more than held together until then and were beached on the muddy flats of the Huang-pu to disintegrate.

For a long time the admiral himself and others who had held relatively high places under the Tsar were not permitted ashore, for the Chinese Republic had in the meantime recognized the Soviet and admitted to China a great deal of its influence. At last, however, this ban was lifted. The remaining Russians landed, but first the doughty commander took his little vessel to sea and sunk her—with the blue-and-white flag still flying.

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By that time in Shanghai there were more than 10,000 "white" Russians. Others were scattered throughout the East, a few in Japan, many in Harbin, Mukden and other Manchurian cities, a handful in Peking and another in Tientsin, stragglers everywhere else, in Hongkong, in Saigon, in Singapore, even in Macao and Bangkok.

Hundreds of the refugees had never known what manual labor meant, nor want of anything whatever. Yet one of the high lights of his extraordinary experience is the spirit of sympathy and of burden sharing that was developed in Shanghai among them. Indeed, it was that spirit that finally triumphed. Never did higher courage, more amazing determination or more stubborn refusal to yield to the seemingly inevitable reveal themselves than during the dozen years in which the Russian colony of Shanghai found itself at last upon something like firm ground, economically speaking.

Ten years ago many in Shanghai would have told you the Russian colony would disintegrate, be swallowed up like so many other alien peoples by the teeming hordes of China. On the contrary, made up as the group was of men and women whose former lives had lain far apart, socially and economically, still the refugees clung together, aiding one another with sympathy and encouragement, and with whatever of substance any here and there might secure. About 1930 the tide of their fortunes seemed to turn—almost imperceptibly at first.

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The turning point came, curiously enough, in the Shanghai French Concession. This adjoins the International Settlement on the south, and within its boundaries more than half of the refugees were living. Its principal thoroughfare was called Avenue Joffre, and the French settlers in Shanghai used to insist that this long and broad boulevard was as French as Paris.

But about 1930 Avenue Joffre began gradually to undergo a surprising change. Its French characteristics disappeared as the Russians acquired shop after shop, cafe and restaurant and apartment house. In another year Avenue Joffre was no longer like Paris, but very much like the Petrograd of old. Its development was a kind of barometer of the improving fortunes of the Russian colony. For as soon as one member of it found himself established, he discovered a place for a comrade.

That the victory has been gained and, despite the setback of the past two years, that it will be maintained is indicated by the records of the Russian Relief Society of Greater Shanghai, which shows that, whereas in 1928 there were more than 2000 helpless indigents requiring charity, all but a few have become at least partially self-supporting. Some of the shopkeepers have become quite well-to-do, professional men have grown self-respecting once more, and scores who a few years ago were penniless and well nigh hopeless are now contented citizens.

Many former naval men are officers on coastwise steamers and a few are even masters. Others are in the customs service and not a few are members of the fire departments of both the International Settlement and the French Concession. So many jobs, indeed, are open to them that, with the return of normal times generally, the long-acute Russian "problem" of Shanghai will be no more. And what applies in Shanghai more or less applies to to the rest of the "white" Russians of the Far East. For there is now a new Russia in the Orient and its capital is Shanghai.

The Status of Chinese in the Philippines

(St. Paul, Minn. Pioneer Press)

Now that the Philippines are definitely started on the road to complete independence, some questions are cropping out in addition to the major consideration of the United States excise tax upon coconut oil from the islands. Chinese traders have long been active in the Asiatic zones of the Pacific and had fair representation in the Philippines before the annexation. It was then the cheerful periodical custom of the Filipinos to start Chinese pogroms in which merchants would be massacred and their stores looted. When order was assured by American occuption, the Chinese flocked in until today they control fully 80 per cent of the wholesale and retail business in the islands. No they are fearful that an independent Filipino government will neither be disposed to give them fair protection against Japanese aggression nor able to do so. Besides this, they are mindful of the old disorders and are so concerned for their lives, property and opportunity that wealthier traders are liquidating their holdings and transferring their capital to Shanghai.

Uncle Sam has spent 36 years educating the Filipinos in the ethics of western civilization. If this is not enough assurance of orderly administration it would be entirely appropriate for the United States to suggest reasonable guaranties to be given by the insular government. Otherwise the American occupation would be reduced to the status of a well-meant but wholly futile interlude in a history rather liberally bespattered with red.

Chinese Telegraph Administration at Tientsin Hit by Private Stations

An investigation into the cause or causes for a decline in business transacted by the office of the Tientsin Chinese Telegraph Administration brought to light one private sending and receiving station, according to the Superintendent of the Tientsin office, in an interview. The Superintendent, Mr. Li, stated that the discovery of the private radio station in the British Concession, owned and operated by several small exchange banks, had been reported to Nanking and that the search by the local authorities for other such stations still continues. Moreover, notice of reward has been posted in the Chinese newspapers to be given anyone reporting the operation of a private station.

Bandits Disturb Peace in Luantung Area

The *Sin Wen Pao* comments:—"Now that a commission for the rehabilitation of the Luantung area has been established, we hope it will do its utmost to restore peace and order. Bandits are plundering the Yutien district and the Chinese special police there are unable to cope with the situation. Therefore it is essential to reinforce the Chinese police in the Luantung district so that they may be in a better position to check the bandit menance. The second step should be to organize militia, divide the Luantung district into several areas, and clean them up one after another. When the commission is certain that all the bandits have been wiped out, a strong police force should be sent to the various Great Wall passes so as to prevent brigands entering from Manchuria. It is an open secret that bandits from north of the Great Wall are mainly responsible for the present situation and not until their passage is blocked will the situation become easier."